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NAVAL POSTGRADUATE SCHOOL

MONTEREY, CALIFORNIA

THESIS

MEXICO AND THE COCAINE EPIDEMIC: THE NEW COLOMBIA OR A NEW PROBLEM?

by

Kenneth Michel

December 2010

Thesis Advisor: Robert Looney
Second Reader: Erik Dahl

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Recently, there has been an increasing amount of attention paid to Mexico and its struggle with drug cartels. The drug war in Mexico has cost the lives of 28,000 people since 2006, leading to a growing concern that Mexico may become a narco-state. Although the situation in Mexico seems uncontrollable, this is not the first time drug trafficking organizations (DTO) have threatened the livelihood of a state. Colombia from the 1980s through the mid-1990s was dominated by cartels that ruled with violence and almost brought Colombia to its knees. Colombia today continues with its fight against DTOs; however, the security of the state is no longer directly threatened by cartels.

This thesis will discuss the history of the cocaine trade and explain why Mexico was able to supplant Colombia as the cocaine epicenter. Likewise, we will discuss the U.S. strategy to combat DTOs and identify shortcomings in order to implement a better strategy to defeat the cartels. We have seen an increase in violence in Mexico and it is critical for the U.S. to act in order to prevent the U.S. homeland from coming under siege by the bloody Mexican drug war fueled by the cartels.

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MEXICO AND THE COCAINE EPIDEMIC: THE NEW COLOMBIA OR A NEW PROBLEM?

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Submitted in partial fulfillment of the
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ABSTRACT

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This thesis will discuss the history of the cocaine trade and explain why Mexico was able to supplant Colombia as the cocaine epicenter. Likewise, we will discuss the U.S. strategy to combat DTOs and identify shortcomings in order to implement a better strategy to defeat the cartels. We have seen an increase in violence in Mexico and it is critical for the U.S. to act in order to prevent the U.S. homeland from coming under siege by the bloody Mexican drug war fueled by the cartels.

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LIST OF ACRONYMS AND ABBREVIATIONS

AUC	Autodefensas Unidas de Colombia
CIFTA	Convention Against the Illicit Manufacturing of and Trafficking In Firearms, Ammunition, Explosives, and Other Related Material
CD	Counter Drug
DAS	Colombia Security Department
DEA	Drug Enforcement Administration
DFS	National Security Police (in Mexico)
DoD	Department of Defense
DOJ	Department of Justice
DTO	Drug Trafficking Organization
ELN	Ejercito de Liberacion Nacional
EU	European Union
EPIC	El Paso Intelligence Center
FARC	Fuerzas Armadas Revolucionarias de Colombia
FLIR	Forward-Looking Infrared Radar
FMF	Foreign Military Financing
FMLN	Farabundo Marti National Liberation Front
FSLN	Sandinista National Liberation Front
FY	Fiscal Year
GAFES	Special Air Mobile Force Group (in Mexico)
GAO	Government Accountability Office
GOES	Government of El Salvador
IDP	Internally Displaced Persons
INCLE	International Narcotics Control and Law Enforcement
INTERPOL	International Criminal Police Organization
JIATF-S	Joint Inter Agency Task Force South
JCS	Joint Chiefs of Staff
MPA	Maritime Patrol Aircraft

MS-13	Mara Salvatrucha
NAFTA	North American Free Trade Agreement
NSS	National Security Strategy
OAS	Organization of American States
ONDCP	Office of National Drug Control Policy
OPEC	Organization of Petroleum Exporting Countries
PEPES	People Persecuted by Pablo Escobar
PGR	Office of the Attorney General (in Mexico)
PRI	Institutional Revolutionary Party
SPSS	Self Propelled Semi Submersibles
SOUTHCOM	United States Southern Command
UN	United Nations
UP	Patriotic Union
US	United States
USAID	U.S. Agency for International Development

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I. INTRODUCTION

A. MAJOR RESEARCH QUESTION

When one thinks of Mexico, one of the first images that may come to mind is the cocaine epidemic and how the violent narco-traffickers have waged a bloody war on the streets of Mexico. Over the past several years, and especially since 2006, Mexico's drug-related violence and deterioration of internal security have rapidly increased.[1] In 2008 alone, 6,290 people died in Mexico due to drug-related violence, which is more than the total casualties in Iraq in 2008.[2] The reason for the sudden rise in violence and state of lawlessness in Mexico is due in large part to the stranglehold the Mexican cartels have on the country. The rampant violence in Mexico has caused United States (U.S.) policymakers to view Mexico and its struggles with the various drug-trafficking organizations (DTO) as a considerable threat to the U.S. homeland.

Mexico is not the first state to be put under siege by DTOs and their turf battles to control the drug trade. From the 1980s until the early 1990s, Colombia, which at the time was the cocaine capital of the world, faced a similar threat from DTOs, more specifically, the Medellin and Cali cartels. Similar to the current situation in Mexico, the Medellin and Cali cartels had a stranglehold on Colombia and its citizens. However, with the fall of both the Medellin and Cali cartels in the mid-1990s, the remaining Colombian cartels could not maintain control of the cocaine trade, and we began to see the cocaine trade shift from Colombia to Mexico in a phenomenon known as the "balloon effect."

It is often noted that the Colombian case study is similar to Mexico's current quagmire. However, upon further investigation, one will note that there are several distinct differences between both scenarios. This study will seek to answer three major questions. First, does the Colombian case study resemble the current situation in Mexico

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[1] Hal Brands, *Mexico's Narco-Insurgency and U.S. Counterdrug Policy* (Carlisle: Strategic Studies Institute, 2009), 4.

[2] Vanda Felbab-Brown, "The Violent Drug Market in Mexico and Lessons from Colombia," *Foreign Policy Paper Series*, no. 13 (March 2009), 1–2.

and, if so, what lessons can we draw upon in the current struggle? Second, we will compare and contrast Plan Colombia (U.S. assistance program to combat the DTOs in Colombia) with the Merida Initiative (U.S. assistance program to combat DTOs in Mexico), and see if we can identify the strengths and weaknesses of both plans. Third, based on the balloon effect and the shift of the cocaine trade from Colombia to Mexico, we will investigate several Latin American countries, such as Panama and Nicaragua, to see if any of these countries share similar traits with Colombia and Mexico. Based on our comparison of Latin American states, we will identify the primary threat(s) who can possibly supplant Mexico as the next cocaine capital. The balloon effect occurred before when the cocaine trade shifted from Peru and Bolivia to Colombia and once again from Colombia to Mexico, so it is critical for us to identify potential threats in order to prevent a new state from seizing control of the cocaine trade. Finally, based on the three questions addressed, we will identify the threats the U.S. faces from sharing a border with the primary player in the cocaine trade: Mexico. Likewise, we will identify ways in which the U.S. is combating the threat from Mexico. Upon investigating these questions, we will seek to make recommendations for how to improve the U.S. approach in combating the cocaine epidemic in Mexico.

B. IMPORTANCE

Events such as the killing of two U.S. Consulate employees in Juarez, Mexico on March 13, 2010, serve as a chilling reminder that the state we share our southern border with is engaged in a vicious and bloody battle with the Mexican drug cartels. Since President Nixon first launched the war against drugs, the U.S. has been engaged in a bitter battle with well-funded narco-traffickers who refuse to relinquish control of an extremely profitable business. The U.S. has spent over a trillion dollars combating the cocaine epidemic, yet the price and availability of cocaine in the U.S. has remained relatively unchanged.[3] U.S. drug czar Gil Kerlikowske recently said, "In the grand

[3] Martha Mendoza, "U.S. Drug War Has Met None of Its Goals," AP, May 13, 2010. http://www.npr.org/templates/story/story.php?storyId=126802382 (accessed May 17, 2010).

scheme (our strategy) has not been successful. Forty years later, the concern about drugs and the drug problem is, if anything, magnified, intensified."[4]

Prior to 2000, the cocaine trade seemed centered in Colombia, and although we viewed Colombia as a concern, the violence was thousands of miles away and did not pose an immediate threat. However, with Mexico now becoming the cocaine capital, we are no longer afforded the luxury of geographical barriers separating us from the graphic violence due to the drug wars fought between rival Mexican cartels. The DTOs have engaged in a bitter turf battle for control of the multi-billion dollar cocaine trade, which has threatened the internal security of the state of Mexico. Due to the increase in violence, our trade with Mexico (which is the U.S.'s third largest trading partner) has been adversely affected, but more importantly, there is a fear that the violence in Mexico will begin to "spillover" across the border into the U.S.

Many people compare Mexico's current state of peril to what Colombia endured from the late 1980s through the early 1990s. There may be similarities between the two cases; however, there are also fundamental differences that must be recognized before making such a claim. Furthermore, it is important that we learn from both the successes and failures in Colombia and formulate a proper strategy to combat the problems in Mexico. Due to the importance of this problem, there is ample literature available describing the many difficulties we face; however, even though Mexico is the primary threat today, we must look into the future and see what other country or countries could pose a serious threat and eventually supplant Mexico as the cocaine capital. As mentioned, the U.S. has spent a fortune battling the war on drugs in Colombia, but then haplessly watched the drug trade simply shift to Mexico in what is described as the "balloon effect," thus a long-term analysis and strategy is necessary to prevent this phenomenon from reoccurring.[5]

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[4] Martha Mendoza, "U.S. Drug War Has Met None of Its Goals."

[5] Johann Hari, "Obama and the Lethal War on Drugs," *The Independent (London)*, February 11, 2009, http://www.independent.co.uk/opinion/commentators/johann-hari/johann-hari-obama-and-the-lethal-war-on-drugs-1606268.html (accessed April 13, 2010).

In summary, this study is important in three ways. First, we must assist our largest trading partner, Mexico, with its struggles against the DTOs and prevent Mexico from becoming a narco-state. Second, in order to avoid violence from "spilling over" the border and into the U.S., we must assist the Mexican government in defeating the DTOs. Finally, we must learn from the Colombian case and apply the lessons learned to formulate a viable strategy to defeat the cartels. More importantly, we must not focus all our attention and resources in Mexico only to see the drug problem shift to another state similar to the shift from Colombia to Mexico.

C. PROBLEMS AND HYPOTHESES

Our first problem will focus on the history of the cocaine trade in Colombia and Mexico and identify the similarities and differences between Mexico's current state with that of Colombia in the 1980s through the early 1990s. It will be important to note the similarities these states share such as corruption, extreme violence, and the fact that these states have a long history of combating DTOs. Likewise, we will discuss how the drug trade in Colombia drastically changed following the fall of the Medellin and Cali cartels, giving rise to groups such as the Fuerzas Armadas Revolucionarias de Colombia (FARC), the Ejercito de Liberacion Nacional (ELN), and the Autodefensas Unidas de Colombia (AUC). The rise of these groups in the late 1990s marks a different type of enemy as compared to the Medellin and Cali cartels. Often times, Mexico's current struggle is compared to that of Colombia; however, I believe it is important to choose the right time frame when comparing the two states. For this reason, it is important to compare Mexico to Colombia during the Colombians struggle against the Medellin and Cali cartel, vice the guerrilla and paramilitary groups of today.

Our second problem will be based on the outcome of our first problem and will focus on Plan Colombia and the Merida Initiative. There are two hypotheses that can be formulated based on the outcome of our initial problem and analyzing the U.S.'s approach to defeating the Mexican drug cartels. The first posits that Mexico is suffering from the same problem as Colombia did. In this case, the U.S. assistance package in Mexico (Merida Initiative) should look similar to the U.S. assistance package in Colombia (Plan Colombia). The second hypothesis will look at Mexico and Colombia as

two distinct cases, and as such, suggests we will need to change our approach in defeating the DTOs. Under this premise, the Merida Initiative would be rejected or revised and the U.S. would need to formulate a new assistance package that identifies the root problems in Mexico in order to properly address the problems in Mexico.

Our third problem will focus on the balloon effect and whether or not there is the possibility of this phenomenon occurring once again. In order to better allocate our funding and resources and prevent the balloon effect, we will analyze several Latin American countries in the region and identify similarities and differences these states share with Colombia and Mexico. Based on our analysis, we hope to formulate an educated hypothesis as to what state or states could supplant Mexico in the future. I hypothesize that there are several factors we might use to identify "at risk" countries, which, in time, could supplant Mexico as the cocaine epicenter. Comparing both the government of Colombia in the 1980s through the early 1990s and Mexico in the mid-1990s through 2010, we realize that both states had a weak and unstable government. Likewise, violence and corruption were common in Colombia and Mexico. Furthermore, geographic location has proven beneficial to both Mexico and Colombia since both are surrounded by the Atlantic and Pacific Oceans, which provides them great benefits in the cocaine trade since they can use both coasts to smuggle drugs making detection more difficult. Mexico has an added advantage of sharing a border with the United States, which opens another route, the land route, to smuggle cocaine to the U.S. These traits all seem to be important in identifying an "at risk" state. Finally, we will look at the demand in the U.S. for cocaine and also the assistance provided by the U.S. to both Colombia (Plan Colombia) and Mexico (Merida Initiative) and see what impact this has on our hypothesis. I hypothesize that Guatemala, Panama, and El Salvador will share certain traits with both Mexico and Colombia and could become major players in the cocaine trade in the future. For this reason, they should likely be targeted for preventive assistance.

Our final problem will focus on the threat the Mexican war on drugs has on the homeland security of the U.S. Recently, we have seen the violence in Mexico escalate

and since 2006, there have been over 28,000 people murdered due to the drug violence.[6] Due to the fact that the U.S. shares a border with Mexico, this alarming trend of increased violence should be a grave concern for the U.S. and protecting its homeland. We will identify the threats the Mexican war on drugs causes for the U.S. and also identify methods in which the U.S. is combating the threat from Mexico.

D. LITERATURE REVIEW AND BACKGROUND

This review will discuss reasons as to why the cocaine capital has shifted from Colombia to Mexico. Likewise, we will compare and contrast Mexico's current state of peril to what Colombia endured from the 1980s through the early 1990s. Next, this review will focus on U.S. assistance to Colombia through Plan Colombia and to Mexico through the Merida Initiative. Finally, this literature review will focus on what U.S. homeland security problems arise with the cocaine epicenter and the rampant violence now shifting to a bordering country.

In the 1980s through the early 1990s, the world drug trade centered around two cartels in Colombia, the Medellin and Cali cartels. At their peak, these two cartels supplied over 80 percent of the cocaine smuggled in the U.S. and were by far the most profitable and ruthless organizations.[7] Both cartels processed, smuggled, and distributed cocaine and, in essence, owned the entire supply chain.[8] However, these duopolies were broken up in 1993 and 1995, respectively, causing a fundamental change in the cocaine business: the rise of hundreds of small cartels, or "cartelitos:" as they are known, throughout Colombia.[9]

As several authors noted, the cartelitos lacked the financial and business strength and were forced to form alliances with Mexican gangs in order to assist with the

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[6] Arthur Brice, "Drug War Death Toll in Mexico Since 2006 Exceeds 28,000, Official Says," *CNN*, August 3, 2010, http://articles.cnn.com/2010-08-03/world/mexico.drug.deaths_1_drug-violence-drug-cartels-zetas?_s=PM:WORLD (accessed September 8, 2010).

[7] Bruce Bagley, "Colombia and the War on Drugs," *Foreign Affairs* 67, no. 1 (1988), 70.

[8] George Friedman, "The Geopolitics of Dope," Stratfor, January 29, 2008. http://www.stratfor.com/weekly/geopolitics_dope (accessed May 5, 2010).

[9] Menno Vellinga, *The Political Economy of the Drug Industry: Latin America and the International System* (Gainesville: University Press of Florida, 2004), 188–189.

distribution of cocaine.[10] These alliances would be one of the primary causes of the cocaine capital to shift from Colombia to Mexico. A second reason for this shift can be attributed to the U.S. interdiction success in the Caribbean.[11] Prior to the fall of the Medellin and Cali Cartels, drugs flowed seamlessly from Colombia into the U.S. via air and sea routes in the Caribbean.[12] However, U.S. interdiction in the 1990s by the DEA, U.S. Navy, and U.S. Coast Guard began to severely disrupt the flow of cocaine in the Caribbean, and the cartels began to seek a more secure route to get their product to the U.S.[13] The solution was to hire Mexican gangs to serve as a middleman and transport the drugs from Colombia to Mexico by land, air, and sea.[14]

By the early 2000s, the Mexican cartels were able to wrestle away control of the drug trade from Colombia and overtake them as the cocaine kingpins. Another reason Mexico became the main player of the cocaine trade is due largely to its geographic advantages.[15] Most importantly, it shares a border with the U.S., which is the largest consumer of cocaine.[16] Similar to Colombia, Mexico is surrounded by both the Atlantic and Pacific Oceans, which serves to open more transporting options, thus facilitating transportation.[17] The final reason highlighted is the implementation of the North American Free Trade Agreement (NAFTA) in 1994. NAFTA has dramatically increased the flow of trade and investment with Mexico (Mexico is our third largest trading

10 Friedman, “The Geopolitics of Dope”; Richard Friman, "The Great Escape? Globalization, Immigrant Entrepreneurship and the Criminal Economy," Review of International Political Economy 11, no. 1 (February 2004), 124.; Francisco Thoumi, "Illegal Drugs in Colombia: From Illegal Economic Boom to Social Crisis," Annals of the American Academy of Political and Social Science, no. 582 (July 2002), 109.

11 Rodger Baker, "The Big Business of Organized Crime in Mexico." Stratfor, February 13, 2008. http://www.stratfor.com/weekly/big_business_organized_crime_mexico (accessed May 17, 2010).

12 Belen Boville, The Cocaine War in Context: Drugs and Politics (New York: Algora Publishing, 2004), 130–133.

13 Patrick Clawson and Rensselaer Lee, The Andean Cocaine Industry (New York: St. Martin's Press, 1996), 41.

14 Ibid., 42; Sara Llana Miller, "Mexico's Drug War Seeps Southward," Christian Science Monitor, June 14, 2009. http://www.csmonitor.com/2009/0616/p10s01-woam.html (accessed May 7, 2010).

15 Jorge Chabat, "Mexico's War on Drugs: No Margin for Maneuver," Annals of the American Academy of Political and Social Science, no. 582 (July 2002), 135.

16 Tony Payan, The Three U.S.-Mexico Border Wars (Westport: Praeger Security International, 2006), 26–27.

17 Ibid., 28.

partner); however, it also gave the Mexican cartels an added advantage to use the 2,000 mile border we share in order to smuggle their drugs more easily.[18]

According to several authors, the state of lawlessness caused by the Mexican cartels bears a striking resemblance to the 1980s and early 1990s when the Medellin and Cali cartels were engaged in an all-out confrontation with the Colombian state.[19] Most experts believe the sudden rise in violence and state of lawlessness in Mexico is due in large part to the stranglehold the Mexican cartels have on the country. Likewise, Carpenter argues that rampant violence and execution-style slayings in Mexico bears an eerie resemblance to Colombia in the 1980s through the early 1990s.[20] There are several common traits shared by Mexico's current state and that of Colombia's in the 1980s through the early 1990s. Most important to the success of DTOs in either country is the constant demand for cocaine in the United States.[21] Another common trait is the level of violence that has plagued both countries during their struggle with the DTOs. Colombia during the 1980s through the early 1990s suffered hundreds of thousands of casualties due to the struggle between the DTOs and the Colombian state.[22] Likewise, Mexico's struggle with the DTOs has led to more than 28,000 casualties with over 1,000 occurring in the first eight weeks of 2009.[23] It is clear from these figures that both states have suffered mass casualties due to their fight against DTOs. Also, these DTOs make billions of dollars in profits each year, which allows them to arm themselves with heavy weaponry that is more advanced than that of the state and also to bribe political, judicial, and law enforcement institutions causing high levels of corruption.[24] This high level of corruption represents a formidable obstacle to the state because it allows the DTOs to

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[18] Peter Hakim, "The Uneasy Americas," *Foreign Affairs* 80, no. 2 (2001), 47–48.

[19] Felbab-Brown, "The Violent Drug Market in Mexico and Lessons from Colombia," 3; Ted Carpenter Galen, "Mexico is Becoming the Next Colombia." *Foreign Policy Briefing*, no. 87 (November 2005), 2; Claire Seelke Ribando, "Merida Inititative for Mexico and Central America: Funding and Policy Issues," *Congressional Research Service* (2009), 1–8.

[20] Carpenter, "Mexico is Becoming the Next Colombia," 2.

[21] Friedman, "The Geopolitics of Dope."

[22] Julia Sweig, "What Kind of War for Colombia?," *Foreign Affairs* 81, no. 5 (2002), 123.

[23] Felbab-Brown, "The Violent Drug Market in Mexico and Lessons from Colombia," 3–4.

[24] Ibid. Friedman, "The Geopolitics of Dope."; Carpenter, "Mexico is Becoming the Next Colombia," 5.

operate with minimal interference and provides protection to their cocaine distribution. A final similarity is the fact that the DTOs are notorious for hiring prior special-forces operatives or mercenaries to work for them and form very formidable armies, which are comparable to the state's law enforcement and military forces.[25]

Conversely, there are some distinct differences that we must note between Colombia's DTOs in the 1980s through the early 1990s to that of Mexico's DTOs. The first difference is the fact that Mexico shares a border with the United States, which makes transporting drugs much easier once in Mexico and also the violence can spillover to the U.S.[26] Secondly, Mexico does not have a presence of guerrilla groups or paramilitaries that challenge the state.[27] Colombia has had to battle the leftist guerrilla group known as the Fuerzas Armadas Revolucionarias de Colombia (FARC) for the past forty years and has also faced opposition from rightist paramilitary groups such as the Ejercito de Liberacion Nacional (ELN) and the Autodefensas Unidas de Colombia (AUC).[28] Finally, Colombia allowed hundreds of U.S. troops to work jointly with Colombian military operations, whereas Mexican officials have made it clear that no U.S. military personnel will be allowed to operate in Mexico.[29] As one can see, there are several key similarities between Colombia in the 1980s through the early 1990s with Mexico's current state; however, there are also fundamental differences that we must note between the states and their conflict with the cartels.

U.S. intervention has played a crucial role in transforming Colombia from a state on the brink of failure to a state that is currently experiencing economic prosperity and security. In 2000, President Bush earmarked $7.5 billion in U.S. assistance for a bill that became known as Plan Colombia. Hakim said, "The strategy was for Colombia to retake control of country from the left-wing guerrillas, right-wing vigilantes, and drug

25 Felbab-Brown, "The Violent Drug Market in Mexico and Lessons from Colombia," 4.

26 Jorge Chabat, "Mexico's War on Drugs: No Margin for Maneuver," 135.

27 Carpenter, "Mexico is Becoming the Next Colombia," 5.

28 Cynthia Watson, "Civil-Military Relations in Colombia: A Workable Relationship or a Case for Fundamental Reform?" Third World Quarterly 21, no. 3 (June 2000), 530–531.

29 Brands, Mexico's Narco-Insurgency and U.S. Counterdrug Policy, 33.

criminals.[30] However, a key point Hakim fails to mention was the stated desire to reduce the cultivation of cocaine by 50 percent.[31] Although the Bush administration has called Plan Colombia an overwhelming success, we must look at the desired goals of Plan Colombia and see if these goals have been accomplished. The security accomplishments that were achieved with Plan Colombia are undeniable. At its peak, the FARC had more than 21,000 members and was close to bringing the state of Colombia to its knees.[32] Today, there are fewer than 8,000 members of the FARC and they are now isolated in the mountainous region of Colombia instead of major cities where they previously had been, and paramilitary groups have demobilized at an increasing rate.[33] From a counternarcotics strategy, however, Plan Colombia has been an utter failure due to the fact that the U.S. placed an emphasis on supply-side strategies, which has done nothing to diminish supply. Coca cultivation today is greater than the coca cultivation in 2000.[34] Likewise, the price of cocaine during this time frame has not increased, which in the short-run would show that supply has indeed decreased.[35]

In June 2008, President Bush introduced the Merida Initiative, which was a three-year, $1.4 billion initiative aimed at maximizing the effectiveness of efforts against drug, human, and weapons trafficking and restoring security in Mexico.[36] According to Brands, the vast majority of this money will be to strengthen Mexico's military and law enforcement agencies in order to give them the capacity to take and hold the initiative in the fight against the DTOs.[37] Most critics view the Merida Initiative as a continuation of Plan Colombia and have gone so far as to label it Plan Mexico.

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30 Hakim, "The Uneasy Americas," 48.

31 Gabriel Marcella, Plan Colombia: Some Differing Perspectives (Washington, D.C.: The Strategic Studies Institute, 2001), 3–5.

32 Brands, Mexico's Narco-Insurgency and U.S. Counterdrug Policy, 33–34.

33 Ibid., 34–36.

34 Ibid.

35 Friedman, "The Geopolitics of Dope."

36 Seelke, "Merida Inititative for Mexico and Central America: Funding and Policy Issues," 8.

37 Brands, Mexico's Narco-Insurgency and U.S. Counterdrug Policy, 33–34.

The shift of the cocaine epicenter from Colombia to Mexico has also caused a significant threat and growing concerns both for the U.S. and homeland defense. Since 2006, Mexico has experienced an accelerating increase in drug-related violence and a corresponding deterioration of internal security.[38] Not surprisingly, Mexico's inability to cope with the cartels has led to an increase in violence, kidnappings, and illegal immigration to spillover into the U.S., especially in border states such as Texas, Arizona, and California. Homeland Security Secretary Janet Napolitano said, "This issue requires immediate action and we are guided by two clear objectives. First, we are going to do everything we can to prevent the violence in Mexico from spilling over across the border. And second, we will do all in our power to help Mexican President Felipe Calderon crack down on these drug cartels."[39] The U.S. has already dispatched to the border almost one thousand more customs, border, and federal firearms agents, along with 1,200 U.S. National guardsmen, in order to avoid the spillover effect.[40]

With over 90 percent of America's cocaine traveling through Mexico, and with the U.S. supplying over 90 percent of the guns used in drug violence in Mexico, there is strong evidence that a problem lies at the porous border.[41] In order for the U.S. to assist the Mexican government in defeating the cartels, Council of Foreign Relations Fellow Shannon O'Neil observes "that the U.S. must first get its own house in order by enforcing U.S. gun laws and inspecting traffic on the border going south, not just north in order to reduce the tools of violence in Mexico."[42] Thus, to address the problem of arms flows, the U.S. should ratify the Inter-American Convention against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives and other Related Material, (CIFTA).[43] According to experts Johanna Mendelson Forman and Peter DeShazo,

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38 Brands, Mexico's Narco-Insurgency and U.S. Counterdrug Policy, 4.

39 Marisa Taylor, "Drug Violence Pushes Mexico to Top of U.S. Security Concerns," March 24, 2009, http://www.mcclatchydc.com/2009/03/24/64683/drug-violence-pushes-mexico-to.html (accessed May 10, 2010).

40 Ibid.

41 National Security Network, "Mexico's Battle with the Drug Trade Reaches Across the Border," February 26, 2009, http://www.nsnetwork.org/node/1230 (accessed May 14, 2010).

42 "Mexico's Battle with the Drug Trade Reaches Across the Border."

43 Ibid.

CIFTA ratification would increase U.S. opportunities for "cooperation among members of the Organization of American States (OAS) to control illegal weapons," and "would send a strong signal to Mexico and to other countries in the region that the U.S. is determined to be a reliable partner in efforts to promote the security and well-being of all citizens in the Americas."[44] The U.S. should also take steps to interdict the billions in drug money smuggled across the border, following a model along the lines of the Foreign Terrorist Asset Tracking Center, designed to hamper terrorist financiers.[45]

In addition, the U.S. should consult with the Mexican government, not only to help build law enforcement capacity, but to assist in "efforts to strengthen Mexico's judicial and law enforcement institutions," by "providing training and information sharing" on judicial reform and police reform.[46] Likewise, many authors argue that the U.S. focuses too much attention on interdiction and not enough on the prevention and treatment of drug abusers. In fact, President Obama is requesting $15.5 billion for the war on drugs in 2011, with over two-thirds of the money for law enforcement and interdiction capabilities while $5.6 billion will be spent on prevention and treatment.[47]

Another overlooked problem is the method in which the narco-traffickers are transporting their product. With the amount of revenue these organizations are able to generate, the DTOs are able to invest in high tech, nearly undetectable self propelled semi-submersibles (SPSS). Prior to the SPSS, if a cartel wanted to transport cocaine by sea, it would use go-fast vessels that were capable of carrying about one ton of product. However, the U.S. has now seen an increase in SPSSs that can carry more than eight tons of contraband. Although the SPSSs are normally used to smuggle cocaine to the U.S., the SPPS poses a significant threat to the U.S. Homeland because an SPSS can arrive to a U.S. port nearly undetected and can easily substitute cocaine for explosives or some other potentially dangerous substance.

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44 "Mexico's Battle with the Drug Trade Reaches Across the Border."

45 Ibid.

46 Ibid.

47 Martha Mendoza, "U.S. Drug War Has Met None of Its Goals," AP, May 13, 2010, http://www.npr.org/templates/story/story.php?storyId=126802382 (accessed May 17, 2010).

Mexico is a country that is on the brink of becoming a narco-state, and the U.S. must prepare to defend its borders and avoid the violence from spilling over. The Mexican border city of Juarez is a prime example of the dangers that loom across the border. *The Wall Street Journal* says that "the violent border city of Juarez is turning into a ghost town due to the bloodshed from Mexico's warring drug cartels."[48] This mass exodus has left 116,000 homes vacant and over 400,000 people to become displaced and forcing some to cross the border illegally to the U.S. in order to avoid the drug violence.[49] The death toll in Juarez for 2009 was a staggering 2,600 people with more than 500 homicides occurring from January to March 2010.[50] The latest high-profile blow to Juarez came on March 13, 2010, when three people associated with the U.S. Consulate in Juarez were gunned down in an incident that drew outrage from both President Obama and President Calderon.[51] Juarez is an example of a city being overwhelmed by the drug cartels and seeing an exponential increase in violence. Bowden and Brands both note that with Mexico sharing a border with the U.S., we have already seen violence spilling over to the U.S., U.S. citizens being murdered in Mexico, and also an increase in illegal immigration into the U.S. by displaced families from bordering cities.[52] These are all problems that are beginning to become more prevalent in the U.S., and we must take a more proactive approach in protecting our citizens and our homeland.

In summary, regardless of whether or not Mexico's current state bears a resemblance to Colombia in the 1980s through the early 1990s, we must realize that Mexico must become a national priority not only because of its lawless nature but because of its proximity to the U.S. Although Mexico's situation and that of Colombia's are similar, we need to improve our strategy and not give Mexico a blank check and unachievable goals. According to Naim, the U.S. (federal and state) spends between

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[48] Nicholas Casey, "Cartel Wars Gut Juarez, Onetime Boom Town," *The Wall Street Journal*, March 14, 2010, A9.

[49] Ibid.

[50] Ibid.

[51] Ibid.

[52] Charles Bowden, "U.S.-Mexico War on Drugs a Failure," CNN, April 2, 2010, http://www.cnn.com/2010/OPINION/03/31/bowden.ciudad.juarez.cartels/index.html (accessed May 10, 2010); Brands, *Mexico's Narco-Insurgency and U.S. Counterdrug Policy*, 38.

$35–$40 billion each year on the fight against drugs with the vast majority being spent on interdiction and intelligence.[53] In order to maximize the amount of money being spent on combating drugs, it is of utmost importance to know whom we are fighting and their motivations.

According to Payan, drug trafficking is the most profitable organized crime activity in the world and America is the most important market for illegal drugs.[54] The United Nations Office of Drug Control and Crime Prevention reports that the worldwide drug trade is valued at approximately $400 billion and the U.S.-Mexico border alone is worth $80 billion.[55] It is clear that the ability to generate such an immense profit is the motivation behind the DTOs, and they have demonstrated that they will stop at nothing in order to maximize profits. Flynn compared the Medellin and Cali cartels to operating similarly to senior executives at Exxon or Coca-Cola.[56] I suggest we take this one step further and begin to analyze the DTOs as a Fortune 500 Company and not like a gang of thugs who have no strategy. If we followed business strategies in the 1970s and 1980s, we would realize that it was common practice for firms to vertically integrate in order to control the supply chain.[57] This is similar to what the Medellin and Cali cartels did in order to gain a competitive advantage over their competitors and successfully establish a duopoly. In the 1990s, because of globalization, many U.S. firms began to de-integrate in order to more cheaply outsource the supply chain.[58] This is a similar strategy to what the Colombian DTOs did when they began to hire Mexican cartels to transport cocaine for them; however, they did not foresee the Mexican cartels eventually becoming the dominant players. I think it is important to analyze the DTOs not as group of uneducated thugs but more along the lines of people who understand the business world and can implement many of the same strategies in order to increase profits.

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53 Moises Naim, "The Five Wars of Globalization," *Foreign Policy*, no. 134 (2003), 30–31.

54 Tony Payan, *The Three U.S.-Mexico Border Wars,* 24–26.

55 Ibid.

56 Stephen Flynn, "World Wide Drug Scourge: The Expanding Trade in Illicit Drugs," *The Brookings Review* 11, no. 1 (1993), 9.

57 Gordon Walker, *Modern Competitive Strategy* (New York: McGraw-Hill, 2009), 208.

58 Ibid., 209–210.

Also, as Bonville mentions, the U.S. needs a new international policy that allows us to turn from the militarized framework we continuously follow and focus on consumption.[59] Both Plan Colombia and the Merida Initiative are supply-side strategies; however, as Plan Colombia has shown, this strategy has not affected the amount of cocaine produced or increased its price. I think it would be wise for the U.S. to begin to look at ways in which we can implement a demand-side strategy that will focus more attention on limiting U.S. consumption. Also, we must be careful not to focus all our attention and resources on one country and then allow the cartels to relocate to another country. If the balloon effect is indeed a true phenomenon, then this could help explain why Mexico was able to supplant Colombia. For this reason, we should pay particular attention to Central American countries that could become a victim of the cartels and replace Mexico since Mexico is now in the U.S. crosshairs. Hari mentions that the U.S. spent a fortune battling the war on drugs in Colombia, then haplessly watched the drug trade simply shift to Mexico in what is known as the "balloon effect."[60] In order to effectively combat the drug war, we must learn from Plan Colombia and implement new changes to the Merida Initiative to restore order in Mexico. The drug capital has shifted from Colombia to Mexico and we must do everything within our power to prevent violence from spilling over to the U.S. and also ensure that our trade with Mexico is not affected because of the spike in violence.

E. METHODS AND SOURCES

The primary method for this thesis is reviewing case studies. Mexico has often drawn comparisons to Colombia from the 1980s through the early 1990s, thus using Colombia as a case study is critical in helping us identify the similarities and differences to the Mexican case. Furthermore, the information gathered from these two case studies will be applied to other Latin American countries in order to identify countries that could be at risk in the future and eventually find themselves "occupied" by DTOs.

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[59] Boville, *The Cocaine War In Context: Drugs and Politics*, 183.

[60] Hari, "Obama and the Lethal War on Drugs."

Aside from case studies, I will contact several agencies such as the DEA, U.S. Coast Guard and JIATF-S for background information on the topic. These agencies will also be able to recommend literature sources to conduct a more thorough study.

Finally, due to the importance of this topic, there is an abundance of literature available from professional journals, academic journals, magazines, websites, and a host of other sources. We will use a wide array of sources in order to gain a better understanding of the situation in Mexico and the problems the U.S. homeland faces with such a dangerous threat. By using various literature sources and using case studies, we will have inputs that are diverse, which will help us get a better understanding of the cocaine epidemic and hopefully be able to make recommendations on how to approach this continuous struggle with DTOs.

F. THESIS OVERVIEW

The first chapter of this thesis begins by stating the questions, importance of the topic, and the methodology to be used. The second chapter will review the historical background of the cocaine trade in both Colombia and Mexico. We will describe the rise and fall of the Medellin and Cali cartels in Colombia and describe how U.S. intervention was key in their demise. This chapter will also explore how the fall of the Medellin and Cali cartels gave way to a new cocaine business model and how the cocaine capital began to shift from Colombia to Mexico. We will then briefly review the Mexican cartels in order to explain the current threat. Finally, based on our comparison of Colombia and Mexico, we will decide whether or not it is prudent to compare Mexico's current state to that of Colombia.

The third chapter will evaluate the U.S. response to the cocaine epidemic in Colombia and Mexico by comparing and contrasting Plan Colombia with the Merida Initiative. These two U.S. assistance programs serve as the foundation of U.S. response to combating the cocaine epidemic. This chapter will identify the similarities and differences between the two programs and based on our assessment from Chapter II, we will decide whether the Merida Initiative is a viable solution to the problem Mexico faces.

Next, we will investigate the balloon effect and the possibility of this phenomenon occurring once again. Based on the similarities and differences identified between the Colombia and Mexico in Chapter II, we will try to identify what conditions are necessary for a country to become the cocaine capital. We will look at certain variables such as level of corruption, geographic advantages, and GDP among other factors to identify which variables are significant and common between Colombia and Mexico. We will then apply the findings to other countries in Latin America (i.e., Panama, Nicaragua, Costa Rica, etc.) with the hope of identifying countries that could pose a problem in the near future and perhaps supplant Mexico as the cocaine epicenter.

Our final chapter will focus on the problems posed by the Mexican cocaine war and how it affects the U.S. No longer is the cocaine capital located in a distant location; instead, we share a border with the dominant player in the cocaine trade. We will discuss the various threats the Mexican drug war has on the U.S. in order for us to protect our homeland from drug violence spilling into the U.S. Likewise, we will discuss U.S. policies and methods to combat potential homeland security problems that arise from the cocaine trade. Finally, we will make recommendations in order to improve our fight against the DTOs. Likewise, based on our study of other Latin American countries that could become major source of the cocaine trade, we will make recommendations on how to improve our readiness to combat these future threats. The U.S. has been engaged in a drug war for over forty years, and by studying the evolution of the cocaine epidemic, we may be able to identify weaknesses in our approach against the DTOs and correct them in order to defeat the cartels.

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II. HISTORY OF THE COCAINE TRADE IN COLOMBIA AND MEXICO

A. INTRODUCTION

Mexico has dominated the news lately and has captured the attention of U.S. policymakers due to its continual struggle against Mexican drug cartels. However, Mexico's struggle against DTOs did not occur overnight nor is this the first time a state has been on the brink of becoming a narco-state. Many often compare Mexico's struggle against cartels to Colombia; however, we will show that the struggle in Colombia must be divided into two different stages. The first stage occurred from the 1980s through the mid 1990s when Colombia was threatened by both the Medellin and Cali cartels. The second stage occurred after the fall of both cartels in Colombia and gave rise to leftist guerrilla groups such as the FARC and rightwing paramilitary groups such as the AUC and ELN. Thus if we are going to compare Mexico to Colombia, it is important for us to decide which timeframe Mexico's current struggle resembles.

This chapter will be divided into two primary sections. The first section will provide background information and review the start of the cocaine trade. We will then discuss the cocaine trade in Colombia and how it has evolved since the mid-1970s. Next, this chapter will describe the key players in the Colombian drug trade in sequential order. We will first discuss Colombia's struggle against DTOs, specifically, the Medellin and Cali cartels. Then, we will discuss the organizations that were able to seize control of the drug trade following the fall of the cartels in Colombia: the FARC and the AUC. Finally, this chapter will discuss the history of DTOs in Mexico and discuss how the cartels of today seized control of the cocaine trade. The intent of this chapter is to show whether or not Mexico's struggle today is similar to the threat Colombia faced, and if so, does Mexico's struggle more resemble the fight against the Colombian cartels or the recent struggle against guerrilla and paramilitary groups. Furthermore, we will show that both Colombia and Mexico share many common traits such as corruption, geographic advantages, and a rich history of criminal organizations influencing the state.

1. Background

The production of coca leaves is by no means a new business nor did it start with the rise of cocaine. Indigenous people of the Andean mountain range have been chewing the leaves of the coca plant for thousands of years. In fact, archaeological evidence indicates that Peruvians were chewing coca leaves as early as 1800 B.C., making the coca plant one of the first cultivated and domesticated plants in the New World.[61] For this reason, coca cultivation today plays an important role in the culture and livelihood of many coca farmers, particularly in Bolivia. Similarly, coca is only grown in the Andean mountain range in Colombia, Peru, and Bolivia giving the area a monopoly on coca production.[62]

Although in 1969 President Nixon first coined the phrase "war on drugs," one could argue that the war on drugs started much earlier.[63] Contrary to popular belief, the war on drugs did not start with Pablo Escobar or with the ruthless cartels that run Mexico today. According to McCoy, "the global movement for prohibition of narcotics began in the 1870s when the Protestant churches of England and America, reviving the tactics of their earlier antislavery campaign, launched a moral crusade against the drug trade."[64] Gootenberg argues that even though there had long been "some recreational use of cocaine, and illicit sales, both fell into severe decline by the 1920s. Cocaine had never spawned any organized form of illicit production or systematic traffic from producing zones."[65] Cocaine was discovered to have medical benefits and was used as a local anesthetic after the 1850s, however, due to the addictive nature of the drug, the U.S. suffered a well-known cocaine epidemic at the turn of the twentieth century during the

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[61] Clawson, *The Andean Cocaine Industry*, 15.

[62] Ibid., 18.

[63] Alfred McCoy, "The Stimulus of Prohibition: A Critical History of the Global Narcotics Trade," in Michael K. Steinberg, Joseph J. Hobbs, and Kent Mathewson, eds., *Dangerous Harvest: Drug Plants and the Transformation of Indigenous Landscapes.* New York: Oxford University Press, 2004, 46–47

[64] Ibid., 39.

[65] Paul Gootenberg, "The Pre-Colombian Era of Drug Trafficking in the Americas: Cocaine, 1945–1965," *The Americas* 64, no. 2 (October 2007), 133.

drug's legal era."[66] With prohibition being enforced with the 1914 Harrison Narcotic Act, cocaine imports being halted in 1922, strict self-regulation by pharmaceutical firms and dentists, and the fact that most cocaine addicts either decreased or switched vices and contraband (such as alcohol and heroin), we begin to see a sharp decrease in the demand for cocaine.[67]

Due to the sharp decline of cocaine, "the first documented case of South American cocaine smuggling dates from 1939, where undercover police officers on Brooklyn's 16th Street pier nabbed Ramon Urbina, a Chilean sailor with a 250 gm sample of cocaine."[68] Although the next incident would not occur for eight more years, by 1948, "cocaine was moving beyond individual or opportunistic smuggling and being replaced by Latin cocaine smugglers from Callao, Peru to Havana, Cuba and into New York City."[69] Thus, from the mid-1940s until the mid-1960s, there was not a single dominant country who owned the cocaine trade. Instead various Latin American countries such as Peru, Chile, Mexico, Cuba, Bolivia, Brazil, and Argentina started the illicit cocaine trade from 1945–1965 with small cocaine operations. Gootenberg argues, "illicit cocaine for overseas use was born in Peru in 1947–1950 with the suppression of a declining legal cocaine sector, and then pushed onto Bolivia, where the revolution progressively fostered cocaine's development until 1964."[70] Similarly, "the 1959 Cuban revolution marked a milestone in cocaine's evolution, as it sent seasoned Cuban drug smugglers into faraway new hideouts and markets creating, in effect, the first specialized class of pan-American traffickers."[71]

From the mid-1940s through the mid-1960s, the cocaine trade consisted mainly of smugglers carrying a few kilograms of cocaine on international flights resulting in the supply of cocaine to reach only a kilogram yearly, with annual seizures reaching 8.4

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[66] Gootenberg, "The Pre-Colombian Era of Drug Trafficking in the Americas: Cocaine, 1945–1965," 133.

[67] Ibid., 136–137.

[68] Ibid., 138.

[69] Ibid., 140.

[70] Ibid., 172.

[71] Ibid., 173.

kilograms by 1959.[72] Due to the limited supply of cocaine, the price of a kilogram of cocaine was upwards of $150,000 and would remain at these levels until the 1970s. However, 1973 would mark a drastic change in the cocaine trade due to the amount of cocaine inundating the market and also the spike in violence and coercion from the cartelization and hostile takeover of the cocaine trade by Colombian DTOs.[73] This hostile takeover by Colombian DTOs would forever change the cocaine trade and cocaine smuggling would no longer be measured in kilograms but in metric tons.

B. COLOMBIA: THE COMMODITIZATION OF COCAINE

Colombia, prior to the 1970s, was a state decimated by decades of lawlessness and civil strife following the aftermath of La Violencia, (the Violence), which lasted ten years (1948–1958) following the assassination of Colombian presidential candidate Jorge Gaitan and claimed the lives of over 200,000 Colombians. The disorganization of the central state caused by the decades of regional violence allowed Colombian "anitoqueños" to become efficient in the marijuana trade to the U.S. and eventually the dominant player in the cocaine trade.[74] Although during the 1960s Colombian traffickers played a secondary role to the Cubans in the cocaine trade, three changes would cause a reversal in roles and see the Colombian's dominate the cocaine trade.

First, "the increased migration of Colombians to the United States in the 1960s enabled Colombians to set up transnational drug networks allowing them to export drugs directly from Colombia to the U.S."[75] According to Restrepo, "the main suppliers of Cuban cocaine traffickers during the 1960s were Colombians, who would buy the coca paste from peasant farmers in Peru and Bolivia, transform it to cocaine, and sell it to the Cubans for distribution to the U.S."[76] However, with the transnational drug networks

[72] Gootenberg, "The Pre-Colombian Era of Drug Trafficking in the Americas: Cocaine, 1945–1965," 156.

[73] Ibid., 173.

[74] Ibid., 175.

[75] Andres Restrepo and Alvaro Camacho Guizado, "From Smugglers to Warlords: Twentieth Century Colombian Drug Traffickers," *Canadian Journal of Latin American & Caribbean Studies* 28, no. 55/6, 249.

[76] Ibid., 251.

now in place due to Colombian immigrants migrating to the U.S., the Colombians no longer had a need for Cuban traffickers. Thus, instead of owning only the production phase, the Colombians were able to also own the distribution phase and in essence, own the entire supply chain of the cocaine industry. Second, "Colombian security forces came down heavily on independent foreign traffickers, thus unwittingly doing Colombian exporters a great favor."[77] After 1972, Colombia's Security Department (DAS) and the National Police "began to act against traffickers, and they managed to put an end to the travels of some foreign adventurers who had been coming into Colombia to buy up drugs in order to sell them later to their home countries."[78] In essence, Colombian security forces were unknowingly eliminating the competition for Colombian DTOs. Finally, "Colombian criminals used previously unheard of methods of violence to supplant the Cubans."[79] Due to the large networks the Colombians had established, there was no longer a need for Cuban traffickers and the Colombian waged a bloody war against the Cubans primarily in Miami and New York, and by 1978, those Cubans still involved in the business were working for the Colombian DTOs.[80]

Thus from the mid-1970s, the Colombian DTOs, along with the unintended assistance from Colombian security forces, were able to eliminate the Cuban middlemen and seize control of the cocaine trade prior to the second cocaine epidemic that was sweeping into the U.S.[81] For the three reasons stated, along with the sheer luck of timing the Colombians had in seizing the cocaine trade, the Colombian DTOs would shift from being marijuana exporters to cocaine kingpins and would give rise to the notorious Medellin and Cali cartels along with criminals such as Pablo Escobar, the Rodriguez Orejuela brothers, and Carlos Lehder. Furthermore, one can argue that following the fall of the Medellin and Cali cartels, the benefactors of the cocaine trade would be the FARC and AUC and their power would peak following the fall of the cartels.

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[77] Restrepo, "From Smugglers to Warlords: Twentieth Century Colombian Drug Traffickers," 249.

[78] Ibid., 251.

[79] Ibid., 249.

[80] Ibid., 251.

[81] Ibid., 249.

1. The Medellin Cartel: Power Through Violence

In the mid-1970s through the early 1990s, the world cocaine trade centered around two cartels in Colombia, the Medellin and Cali cartels. At their peak, these two cartels supplied over 80 percent of the cocaine smuggled in the U.S. and were by far the most profitable and ruthless crime organizations in the world.[82] Both cartels processed, smuggled, and distributed cocaine, and in essence, owned the entire supply.[83] Although both cartels were powerful, the Medellin cartel operated mainly by striking fear to their enemies and having zero regard for the law. However, the primary reason why the Medellin cartel would capture a worldwide audience was due to their flamboyant leader, Pablo Escobar, who became a larger than life figure and also one of America's most wanted fugitives.

When a person thinks of cocaine usually the first image that one thinks of involves Pablo Escobar and his brutality portrayed by many Hollywood films. Although some of these stories may be an exaggeration, Escobar was and still is the most notorious drug kingpin the world has known. There is no doubt that Escobar was a feared man in Colombia and anyone who betrayed him would be killed along with his family, friends, and acquaintances. His killings were all cruel, deadly, smart, and with an eye toward public relations and unfortunately would set the precedent for future narco-traffickers.[84] Likewise, Escobar and his seemingly endless supply of money allowed corruption to reach the highest offices of both the Colombian civil and military sectors usually in the form of bribes.[85] These bribes allowed for the cartels to preserve the supply chain and allowed the organization to run freely with minimal outside interference. If some organization, whether it be the police, military, or a political figure, tried to deter the cartel's operations, then the person or persons would be ruthlessly murdered.[86]

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82 Bagley, "Colombia and the War on Drugs," 70.

83 Friedman, "The Geopolitics of Dope."

84 Mark Bowden, *Killing Pablo* (New York: Atlantic Monthly Press, 2001), 21.

85 Ibid., 21–23.

86 Ibid.

Although violence was normally reserved for those who betrayed the Medellin cartel, one word would change the way the Medellin cartel conducted business: extradition. The extradition treaty between Colombia and the U.S. was signed in 1979; however, it had yet to take effect.[87] In order to avoid extradition, Escobar successfully campaigned and won a seat in the Chamber of Representatives of Colombia's Congress in 1982. By becoming an elected official, Escobar guaranteed himself that he would not be extradited for two years, since elected officials were not eligible for extradition to the U.S. Escobar was elected with little difficulty; however, some political figures, especially Luis Carlos Galan, took exception to Escobar's nomination and thought that the presence of the head of the Medellin cartel was a profanation of the legislature due to the campaigns that were financed by dirty money.[88] Galan and Justice Minister of Colombia Rodrigo Lara Bonilla's opposition to Escobar's election would eventually lead to the removal of Escobar from Congress. The removal of Escobar from office would change the way the Medellin cartel dealt with politics. Previously, Escobar and the Medellin cartel would win over their political adversaries with bribes via drug money; however, following his removal from office, Escobar renounced his intention of winning legitimacy and chose to directly confront what he would later call "Colombia's political oligarchy."[89]

Bribes and political contributions were typical forms of payments from the Colombian cartels in order to exert influence and continue with their operation unimpeded. However, when Galan and Lara successfully removed Escobar from the political office he won, violence in Colombia would dramatically increase. In 1984, Escobar would order the assassination of Lara, and following the assassination, Colombian President Belisario Betancur "decided to give his government's full approval to the extradition of any Colombian citizen whom the U.S. justice system accused of drug

[87] Restrepo, "From Smugglers to Warlords: Twentieth Century Colombian Drug Traffickers," 254.

[88] Ibid.

[89] Ibid.

trafficking."[90] Following President Betancur's decision, several high-level drug traffickers (including Escobar) would meet in Panama City with Attorney General and ex-Colombian President Alfonso Lopez Michelsen, where the traffickers famously offered to pay off Colombia's foreign debt in exchange for favorable treatment by the Colombian authorities.[91] Colombian officials would reject this offer; however, this would mark the beginning of a dramatic increase in violence from the Medellin cartel in order to avoid extradition.

With the Colombian government actively supporting extradition, Escobar and the Medellin cartel would form an organization known as "The Extraditables" and unleashed a wave of violence and terrorism that would rock the state of Colombia to its foundations.[92] During this wave of terror orchestrated by Escobar, "judges were kidnapped or murdered, as were state security agents and politicians, while sudden terrorist attacks with dynamite wrecked havoc and claimed countless victims among the civilian population who had no connection with the extradition problem."[93] The Medellin cartel succeeded in striking fear to people with their graphic executions of police, military personnel, and even a presidential candidate in order to coerce Colombian officials to repeal extradition.[94] Escobar would place a bounty of $2,000,000 Colombian pesos (equivalent to $1,000 U.S.) for the death of police officers and even orchestrated the bombing of a federal building (killing hundreds of civilians) all in the name of striking fear in those who opposed him.[95]

With the utter chaos in Colombia, elected officials had no choice but to rewrite the Colombian Constitution and prohibit the extradition of Colombian nationals. Alas, Escobar had persuaded the Colombian government to ban extradition, but he would do so at devastating costs that would lead to his undoing. At the height of Escobar's power in

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[90] Restrepo, "From Smugglers to Warlords: Twentieth Century Colombian Drug Traffickers," 254.

[91] Sewall Menzel, *Cocaine Quagmire: Implementing the U.S. Anti-Drug Policy in the North Andes-Colombia* (New York, University Press of America, 1997), 37.

[92] Restrepo, "From Smugglers to Warlords: Twentieth Century Colombian Drug Traffickers," 254.

[93] Ibid.

[94] Bowden, *Killing Pablo,* 44.

[95] Ibid., 27–29.

1989, Forbes listed him as the seventh richest man in the world.[96] However, several sequential events would lead to his demise. First, the assassination of Presidential candidate Luis Galan made him public enemy number one in Colombia; furthermore, in an effort to kill Galan's successor Cesar Gaviria, Escobar ordered the bombing of Avianca flight 203, which killed 110 people including two Americans.[97] Not only did this bombing fail to kill Gaviria, but it also made Escobar one of the most wanted fugitives in the world. Finally, the bombing of the DAS building, which killed over fifty innocent Colombians, would further enrage the population. These events, along with the election of George H.W. Bush as President of the U.S., who following the assassination of Galan, unveiled the Andean Initiative ($65 million in emergency counternarcotics assistance), which called for "a major increase in the U.S. military assistance to the governments of Colombia, Peru, and Bolivia to fight their wars against drug traffickers."[98] The election of President George H.W. Bush would formally shift the emphasis of the U.S. war on drugs from trying to stop drugs from crossing the borders to dismantling the cartels and going after narco kingpins.

Once Escobar and his cartel were able to coerce the Colombian government into writing a new constitution and banning extradition in 1991, Escobar would turn himself into authorities, but only "on conditions that he would be given a specially constructed prison (known as La Catedral), with his own guards, and many privileges (such as a disco, a soccer field, a jacuzzi, among many others).[99] Although Escobar was technically in prison, he was still able to conduct the operations of the Medellin cartel with minimal interference. However in 1992, the Colombian government decided to move Escobar into a normal prison due to reports that he had tortured and killed four of his lieutenants while at La Catedral. As soon as the government attempted to arrest Escobar, he simply disappeared from his luxury prison and became a fugitive.[100]

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[96] Bowden, *Killing Pablo,* 57.

[97] Bowden, *Killing Pablo,* 59.

[98] Mark Peceny and Michael Durnan, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," *Latin American Politics and Society* 48, no. 2 (Summer 2006), 102.

[99] Restrepo, "From Smugglers to Warlords: Twentieth Century Colombian Drug Traffickers," 255.

[100] Ibid.

By this time, the U.S. had their sights set on attacking the source of cocaine, the Medellin and Cali cartels, instead of simply stopping the drugs crossing the border. The U.S. change in strategy would prove to be the unraveling of both Escobar and the Medellin cartel. Escobar had become an enemy of the state in Colombia due to the violence he had caused and also faced persecution form the U.S. Likewise, an organization of disgruntled comrades (with funding from the Cali cartel) known as Los PEPES (People Persecuted by Pablo Escobar) formed and were determined to isolate Escobar by destroying his properties and killing many of his closest collaborators.[101] With Escobar fighting a multi-front war, it would be only a matter of time before he was apprehended. On December 2, 1993, Escobar would be killed in a shootout with the Colombian National Police (CNP), which led to the eventual fall of the Medellin cartel.[102]

Escobar's reign of terror would last more than eighteen years and during that time, he would generate billions of dollars from the cocaine trade and almost single handedly turned Colombia into a narco-state. Although many view Escobar as a ruthless killer who would stop at nothing to protect his cocaine trade, others (especially people from Medellin) viewed Escobar as a Robin Hood type character who constructed housing complexes for the poor and would invest substantial amounts of money to improve the neighborhood. More importantly, Escobar would turn cocaine into a commodity and substantially increase the supply of cocaine in the market (this would cause cocaine prices to drop from $50,000 per kilo in 1979 to $10,000 per kilo in 1989) and he also showed how brute force and violence could influence policymakers to do as he pleased.[103] Colombia by itself could not defeat Escobar, thus U.S. involvement was critical in bringing down the Medellin cartel. Perhaps more disturbing; however, is the fact that the Colombian government aligned itself with both the Cali cartel and Los

[101] Restrepo, "From Smugglers to Warlords: Twentieth Century Colombian Drug Traffickers," 255.

[102] Bowden, *Killing Pablo,* 272.

[103] McCoy, "The Stimulus of Prohibition: A Critical History of the Global Narcotics Trade," 57.

PEPES in order to defeat the Medellin cartel. Unfortunately, this would not be the last time governments would have to align themselves with criminal organizations in order to defeat another criminal organization.

2. The Cali Cartel: Power by Political Influence

If Escobar and the Medellin cartel were flamboyant characters who sought attention and the limelight, then the Cali cartel headed by the Rodriguez Orejuela brothers were low-key drug traffickers who operated more as businessmen then thugs and gangsters. For this reason, when one thinks of the cocaine trade, one usually thinks of the Medellin cartel and Pablo Escobar, which is what the Orejuela brothers had hoped for. The Cali cartel did not bomb federal buildings and assassinate presidential hopefuls; instead, they paid off politicians to extend their influence to the highest offices in order to operate their multi-billion dollar business with minimal interruptions. Rather than declare war on the Colombian state, as well as on the FARC, the Cali cartel and its leaders kept lower profiles.[104] With the elimination of Escobar and the Medellin cartel, the Cali cartel was able to seize control of the cocaine trade temporarily until U.S. efforts concentrated on destroying the Cali cartel as well.

The Cali cartel preferred to establish political connections rather than challenge the state and perhaps the best example of their influence would be during the 1994 presidential elections. On July 16, 1994, Luis Alberto Moreno, the campaign manager for presidential candidate Andres Pastrana, delivered to the U.S. Embassy in Bogota cassette tapes of conversations between the Cali cartel, more specifically Miguel Orejuela (leader of the Cali cartel) telling journalist Alberto "Loco" Girardo that the Cali cartel had moved $3.5 million into Samper's campaign.[105] On July 19, Ernesto Samper would narrowly defeat Pastrana (50.41 percent to 48.06 percent) and in hindsight, the much-needed funds the Samper campaign received from the Cali cartel probably made the

[104] Peceny, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," 104.

[105] Russell Crandall, "Explicit Narcotization: U.S. Policy toward Colombia during the Samper Administration," *Latin American Politics and Society* 43, no. 3 (Autumn 2001), 102.

difference.[106] Thus by maintaining a low profile and bribing politicians, the Cali cartel was able to decide the 1994 presidential election and had directly influenced the outcome for the highest official in Colombia.

The Cali cartel donated millions of dollars to Samper's campaign in an attempt to forge an informal public-private partnership to manage the cocaine industry. According to Peceny, "the Cali cartel would use cocaine profits to pay for politician's electoral campaigns, and once elected, the officials would acquiesce to the cartel's control of the industry or, at least guarantee light sentences in Colombia rather than extradition to the U.S."[107] Although the Cali cartel was able to penetrate into the highest political office, the campaign money given to President Samper would lead to their undoing. Following the election, Drug Enforcement Administration (DEA) senior Colombian official Joe Toft would release copies of the cassettes to the Colombian television media, which later became known as the narco-cassettes, and surprisingly, the public demanded justice.[108] Toft would resign from the DEA following the release of the narco-cassettes; however, he said "the Samper campaign had accepted millions of dollars from the traffickers and that the Cali cartel was exercising inordinate control over Colombia's political and economic institutions."[109] The narco-cassettes would cause a year long investigation where a dozen members of Congress, the attorney general, and the defense minister had been jailed; however, more importantly there was a large public outcry that reflected a growing domestic consensus that the corruption of the political system by drug money was no longer acceptable.[110]

Drug money pouring into the offices of influential political figures did not start with the Samper campaign, which is why the reaction from the Colombian population was remarkable. Violence from the mid-1980s through the early 1990s had skyrocketed

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[106] Crandall, "Explicit Narcotization," 103.

[107] Peceny, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," 104.

[108] Menzel, *Cocaine Quagmire: Implementing the U.S. Anti-Drug Policy in the North Andes-Colombia*, 149.

[109] Ibid.

[110] Peceny, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," 104–105.

and the murder rate reached 80 per 100,000 people (as compared to Mexico today that has a murder rate of 14 per 100,000 people) so perhaps the population wanted a change and for the government to reclaim the state.[111] Thus with pressure from both the Colombian population and the U.S. government, Samper had no choice but to defeat the Cali cartel and place the leaders behind bars.[112] To further pressure Samper and the Colombian government to taking action against the Cali cartel, President Bill Clinton decertified Colombia without a national security waiver, excluding Colombia from a variety of assistance programs not directly tied to counternarcotics and also denied the visa of President Samper (only the second democratically elected leader to be denied a visa to the U.S.).[113]

Facing mounting pressure from multiple fronts, Samper responded by acting decisively to break up the Cali cartel. The Colombian government launched an all-out campaign to capture the cartel's leaders, and in May 1995, Samper sent more than three thousand soldiers "on a drug lord mansion raid, successfully confiscating a multitude of computers and cellular telephones believed to be integral to the syndicate's communication network."[114] Furthermore, the U.S. would place a $2 million dollar bounty for the apprehension of any of the seven men believed to be the cartel's elite members. By August 1995, six of these targeted fugitives were behind bars including the infamous Rodriguez Orejuela brothers.[115] Thus with international assets frozen, money laundering now being against the law, and the Cali cartel's leadership behind bars, the demise of the Cali cartel was imminent and provided evidence of the success of the U.S. drug certification process in compelling target states to adopt more vigorous antidrug policies.[116]

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[111] Menzel, *Cocaine Quagmire: Implementing the U.S. Anti-Drug Policy in the North Andes-Colombia*, 149.

[112] Peceny, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," 105.

[113] Ibid.

[114] Ibid., 105–106.

[115] Ibid., 106.

[116] Ibid.

The Medellin and Cali cartels were both crime syndicates that profited from the illicit sale of primarily cocaine; however, one must note the stark differences in how each cartel conducted their business. The Medellin cartel seemed to follow the behavior of their gaudy leader Pablo Escobar and decided to directly challenge the state and engage in a bloody war with Colombia and its citizens in order to avoid extradition and also continue with their lucrative business uninterrupted. Conversely, the Cali cartel conducted their operations in a more businessman mentality and attempted to exert influence by bribing politicians in order to continue with their cocaine trade. The Cali cartel's method allowed them to infiltrate the highest office in Colombia; however, the release of the narco-cassettes would prove to be their undoing. Following the breakup of both the Medellin and Cali cartels, the cocaine trade in Colombia would shift from the old duopoly system to one where hundreds of small cartels, or "cartelitos" as they are known, to appear throughout Colombia. According to Bagley, "you have got a much more decentralized situation with a lot more actors, well over 100, and they lack the capital and strength that the Medellin and Cali cartels had."[117] Even though Colombia now had hundreds of cartelitos, the primary benefactor of the cocaine trade would now be the FARC.

3. Unintended Benefactors: The FARC

The FARC was officially inaugurated in 1964 as a campesino-based, revolutionary organization bent on achieving national power and building a socialist system in Colombia.[118] Although founded in the 1960s, the FARC roots lie during La Violencia, which from 1948–1958 cost the lives of over 200,000 people.[119] During La Violencia, partisans from the Liberal and Conservative parties fought a civil war that had less to do about party politics and was more of an explosive expression of peasant

[117] Larry Rohter, "Colombia Tries, Yet Cocaine Thrives." *The New York Times*, November 20, 1999, A6.

[118] Peceny, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," 100.

[119] William LeoGrande and Kenneth Sharpe, "Two Wars or One? Drugs, Guerrillas, and Colombia's New Violencia," *World Policy Journal* 17, no. 3 (Fall 2000), 3.

grievances and local conflicts.[120] According to LeoGrande, "weak governmental authority in many areas gave rise to armed self-defense groups of various ideological stripes."[121] The FARC was founded by Manuel "Tirofijo" (Sureshot) Marulanda and grew out of rural self-defense groups organized by the Colombian Communist Party during La Violencia.[122] Throughout the 1960s and 1970s, the FARC engaged in low-intensity guerrilla wars and understood that they could not seriously challenge the armed forces for control of the state, but neither could the armed forces defeat the guerrillas, thus for three decades a stalemate prevailed.[123]

The FARC's social base since its creation depended on peasants in rural areas, especially in southern Colombia. According to Peceny, "the FARC protected these groups from appropriation of their land by large landowners and compelled land owners to pay fair wages to the peasants."[124] From the beginning, the FARC generated most of its profit through kidnapping and extortion; however, with the cocaine trade beginning to boom in 1975, the FARC sought to expand their business into the cocaine trade. Peasants began cultivating coca during this time and the FARC continued its tradition of using force to compel narco-traffickers to pay market prices for coca leaves and labor.[125] Furthermore, the FARC instituted a progressive taxation system in the coca-growing regions, charging a ten percent tax on large production of coca paste and cocaine from coca paste, the import of processing chemicals, and the transport of coca by air out of the region.[126] The Cali cartel decided it would be better to pay the tax and avoid a struggle with the FARC; however, Escobar and the Medellin cartel refused to pay these taxes.

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[120] LeoGrande and Sharpe, "Two Wars or One?" 3.

[121] Ibid.

[122] Ibid.

[123] Ibid., 4.

[124] Peceny, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," 107.

[125] Nazih Richani, *Systems of Violence: The Political Economy of War and Peace in Colombia* (Albany: State University of New York Press, 2002), 70–73.

[126] Peceny, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," 107.

In order to invest the billions of dollars in profit from drugs, Escobar invested in millions of acres of prime cattle-grazing lands and became a major part of Colombia's agrarian elite.[127] According to Peceny, "the FARC attempted to extract taxes from the new landlords using techniques it had successfully used with the existing landed elite: threatening retribution if those elites refused to pay, or kidnapping for ransom."[128] Rather than pay the FARC, the Medellin cartel developed powerful military forces that attacked the FARC, its allies, and the political group formed by the FARC, Patriotic Union (UP). The paramilitary groups formed by the Medellin cartels pushed the FARC almost entirely out of the Middle Magdalena Valley, where it had a strong presence since the 1960s, and also challenged the FARC in northern Colombia to include Antioquia, Cordoba, Uraba, Puerto Boyaca, and Meta.[129] Furthermore, by the early 1990s, the paramilitaries murdered more than three thousand UP mayors, municipal council members, senators, and presidential candidates and effectively wiped out the UP as a viable political actor.

In 1986, the FARC had approximately 3,600 combatants in 32 fronts. Although during the mid-1980s through the early 1990s the FARC grew somewhat, the battles with the paramilitary groups and its inability to extract taxes from the Medellin cartel limited its growth.[130] However, with the death of Pablo Escobar and the fall of the Medellin cartel in 1993, this would all change. By 1995, the FARC had become fully entrenched in the cocaine trade and began generating staggering profits. One can argue that the strengthening of the FARC was an unintended consequence of a series of tactical successes of U.S. antidrug policies during the 1990s. In essence, the U.S. and Colombia eliminated the greatest threat to the FARC in many regions and decreased the ability of the newly formed cartelitos to resist paying taxes to the FARC as part of the price of

[127] Peceny, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," 103.

[128] Ibid.

[129] Ibid.

[130] Ibid.

doing business.[131] Furthermore, aerial fumigation assisted in deepening Colombian coca workers' support for the FARC against a government that was threatening their health and livelihood.

With the elimination of its rivals, the FARC began to generate enormous profits from the cocaine trade, which allowed them to better equip themselves and also expand. Further accelerating the growth of the FARC would be the increase of coca cultivation in Colombia. From 1996–1997, a disease destroyed almost thirty percent of the coca plantation in Peru's upper Huallaga Valley, which cultivated the majority of coca in the world.[132] In an effort to find a suitable alternative, drug traffickers shifted their crops to Colombia's jungles, experimented with the plants and were able to produce a stronger coca leaf with a higher cocaine yield. Figure 1 illustrates this change. Prior to 1997, Peru was the largest producer of cocaine; however, following the destruction of thirty percent of its coca crop, Colombia was able to supplant Peru as the largest cocaine producer in the world. Likewise, the decision of Peruvian President Alberto Fujimori to have Peru's armed forces shoot down planes that transported coca from Peruvian fields to Colombian drug labs further accelerated the shift of coca production from Peru to Colombia.[133] By the end of the 1990s, Colombia was producing nearly seventy-five percent of the world's coca supply. Furthermore, the majority of the coca cultivation in Colombia was concentrated in the southern provinces of Caqueta, Guaviare, and Putumayo, which have been traditional FARC strongholds.[134] Thus, the sudden rise of coca cultivation in FARC controlled areas in Colombia dramatically increased the FARC's ability to tax the entire coca industry and boosted its income to more than $600 million a year, making it one of the richest insurgent groups in history.[135]

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[131] Peceny, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," 103.

[132] Rafael Pardo, "Two Front War," *Foreign Affairs* 79, no. 4 (July–August 2000), 70.

[133] Peceny, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," 106.

[134] Ibid., 107.

[135] Pardo, "Two Front War," 70.

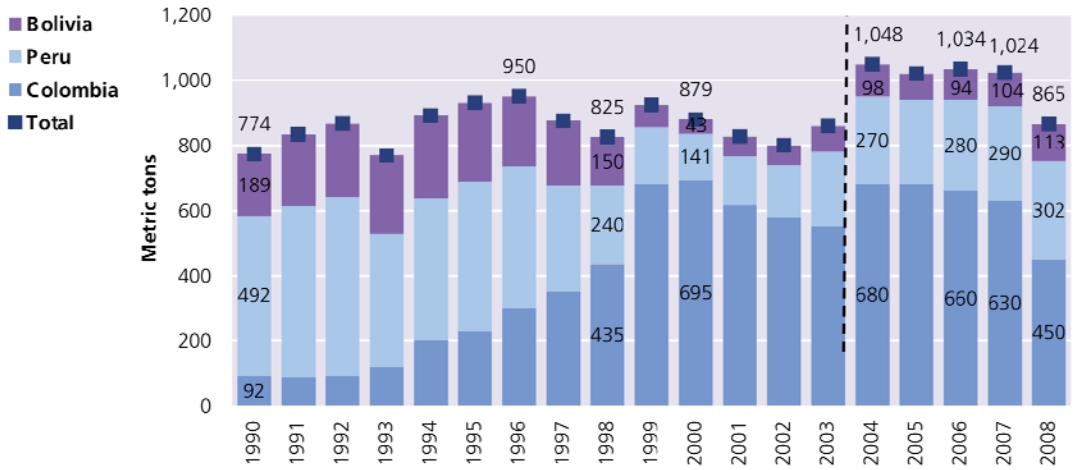

Figure 1. Global Cocaine Production, 1990–2008.[136]

The infusion of funds provide by the cocaine trade allowed the FARC to obtain sophisticated weapons on the international market and rapidly expand its forces, which allowed the FARC to operate in over 500 municipalities throughout Colombia in which more than 130 mayors were known to be paying war taxes to the guerrillas cause in order to avoid confrontation.[137] By 1999, the FARC had grown from a group of about 3,600 members operating in thirty-two fronts into a well financed and heavily armed army of 15,000 combatants operating in more than sixty fronts and active in forty percent of Colombia's municipalities.[138] With the increase of funds, the FARC was able to increase its combatants and improve their weapons, which helped the FARC inflict a series of embarrassing defeats to the Colombian army.

In the fall of 1996, the FARC attacked thirteen of Colombia's thirty-two departments and challenged the government's presence in the coca growing departments of Meta, Tolima, Cauca, Valle, Santander, Magdalena, Cundinamarca, Putumayo, among

[136] United Nations Office of Drugs and Crime, World Drug Report 2010, 66.

[137] Menzel, *Cocaine Quagmire: Implementing the U.S. Anti-Drug Policy in the North Andes-Colombia*, 161.

[138] LeoGrande, "Two Wars or One? Drugs, Guerrillas, and Colombia's New Violencia," 4.

others.[139] The Ministry of Defense in Bogota acknowledged that the FARC had inflicted serious blows against the state, and under intense pressure, President Samper would impose a tax on the wealthy in order to collect $500 million which would be used to better equip the Colombian Army.[140] With the Colombian Army being dealt a series of defeats, Samper's successor, President Andres Pastrana decided to launch peace talks with the FARC in 1998. During these negotiations, Pastrana and the Colombian government ceded over 42,000 square kilometers (about the size of Kentucky) to the FARC in a move that was sharply criticized due to the state's inability to provide security in this area and allowed the FARC to arrange for kidnappings, carry out executions, and sponsor coca plantations.[141] The FARC's acquisition of what became known as Farclandia (in southeastern Colombia) clearly demonstrated that the FARC had taken advantage of the weak institutions of central authority in Colombia and assistance was needed in order to prevent Colombia from becoming a narco-state.[142]

By 1998, it became clear that Colombia was a state on the brink of becoming a failed state, thus in order to prevent this, President Pastrana issued what he noted as the Colombian version of the Marshall Plan, Plan Colombia.[143] The details of Plan Colombia will be discussed in a Chapter III, but in summary, the FARC's power has been significantly reduced due to the tough stance Colombian President Alvaro Uribe (President Pastrana's successor) took against the FARC along with foreign assistance provided by the U.S. However, as we have seen with the Medellin and Cali cartels, while the FARC has been the most recent principal target of both Colombia and the U.S., the United Self-Defense Groups of Colombia (AUC) has become a principal beneficiary.[144]

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[139] Menzel, *Cocaine Quagmire: Implementing the U.S. Anti-Drug Policy in the North Andes-Colombia*, 162–163.

[140] Ibid., 163.

[141] Pardo, "Two Front War," 71.

[142] Gabriel Marcella, *Democratic Governance and the Rule of Law: Lessons from Colombia* (Carlisle: Strategic Studies Institute, 2009), 17.

[143] Marcella, *Plan Colombia: Some Differing Perspectives*, 2.

[144] Peceny, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," 111.

4. The Rise of the Right Wing Paramilitary Group: The AUC

The AUC is a coalition forged in the mid-1990s by Carlos Castano partly from the paramilitary groups that were formed by the Medellin cartel in the mid-1980s in order to combat the threat of the FARC.[145] The AUC has grown from a couple of thousand fighters to a well-equipped and trained national force of nearly 20,000 soldiers, with a budget in excess of $100 million.[146] Although the AUC raises considerable money by extracting protection rents from legitimate businesses (racketeering), approximately eighty percent of their resources are derived similar to the FARC, from taxing the cocaine trade.[147] Peceny notes, "while the FARC is largely an insurgent organization that engages in criminal activity to advance its political agenda, the AUC represents a fusion of paramilitary and criminal organizations, which makes it difficult to discern the precise combination of criminal greed and political agenda that drives this group."[148]

The AUC's growth in the late 1990s through early 2000s can be attributed to the seizing of coca-producing territory controlled by both the FARC and another left-wing insurgent group, the National Liberation Army (ELN). According to Vargas, the territorial expansion of the AUC has taken place in cooperation with elements of the Colombian armed forces as part of a coordinated counterinsurgency campaign.[149] Peceny argues, "The military units that have been working with the AUC to defeat the FARC are increasingly trained and funded by the U.S. Thus the U.S. decision to focus its antidrug efforts on funding a counterinsurgency campaign to defeat the FARC has helped generate a powerful new player in the cocaine industry."[150] One can further argue that the U.S. toleration of the alliance between Colombia and the AUC has allowed the AUC to operate with minimal interference. Peceny further notes, "while it would be extremely

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[145] Peceny, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," 111.

[146] Ibid.

[147] Ibid.

[148] Ibid.

[149] Ricardo Vargas, "A Military-Paramilitary Alliance Besieges Colombia," *NACLA Report on the Americas* 32, no. 3 (1998), 40.

[150] Peceny, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," 111.

difficult to argue that the U.S. intended to strengthen the FARC during the 1990s after defeating the Medellin and Cali cartels, it is not as surprising that the U.S. would support a right-wing paramilitary group fighting leftist insurgents."[151]

The AUC's expansion in southern Colombia has undoubtedly stunted the FARC's growth; however, the support the AUC has garnered from the state is interesting. One can argue the 2002 election of President Alvaro Uribe represents the pinnacle of the AUC's power, since many suggest that Uribe has ties with AUC leaders that go back to his days as a young politician in Medellin.[152] Furthermore, AUC leaders claim that its partisans were elected to one third of the congressional seats contested just before the presidential elections of 2002. Finally, during Uribe's presidency, peace talks with the FARC ceased; however, Uribe at the same time raised the AUC to the formal status of combatant in the civil war and initiated peace talks with the paramilitaries.[153] Although Uribe and the AUC have engaged in peace talks, which have led to thousands of AUC fighters to formally lay down their arms, the U.S. has been uncomfortable with the peace negotiations and on September 10, 2001, the U.S. officially labeled the AUC as a terrorist organization.[154] Regardless if the AUC has been labeled a terrorist group, it appears as though the AUC has become the benefactor of counterinsurgency operations by Colombia and the U.S. to defeat the FARC.

In summary, the story of Colombia from 1975 to today is one that must be told in regards to crime and the cocaine trade. The Medellin and Cali cartels, although fundamentally similar, confronted the state of Colombia in different ways. The Medellin cartel and its ruthless leader Pablo Escobar directly challenged the state in order to operate free from interference and avoid extradition to the U.S. From 1985 until 1993, the Medellin cartel waged a bloody war against the state while murdering thousands of politicians, judges, police officers, and innocent civilians. The undoing of the Medellin

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[151] Peceny, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," 112.

[152] Joseph Contreras and Fernando Garavito, *Biografia no Autorizada de Alvaro Uribe Velez* (Bogota: Oveja Negra, 2002), 44.

[153] Peceny, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," 112.

[154] Ibid.

cartel would be due in large part to the assassination of presidential candidate Luis Galan and the bombing of Avianca flight 203. By the early 1990s, Colombia along with a group known as Los PEPES and the U.S. would wage a war against the Medellin cartel that would end with the death of Escobar and the dismantling of the Medellin cartel. Conversely, the Cali cartel attempted to maintain a low profile by bribing political figures and directly benefited from the elimination of the Medellin cartel. The drug money of the Cali cartel was able to penetrate to the highest levels of the Colombian government and would serve as their downfall. Following the release of the narco-cassettes, Colombian President Samper faced increasing pressure from the Colombian population and the U.S. and had no choice but to eliminate the Cali cartel. An unintended consequence of the elimination of both the Medellin and Cali cartel was the increase in strength of the leftist guerrilla group, the FARC. By eliminating the major cartels, the FARC was able to tax the entire cocaine trade and generated staggering profits, which helped increase its strength and territory in Colombia. The FARC's power would be highlighted when Colombian President Pastrana gave the FARC 42,000 square kilometers of land to operate in. Following the election of President Uribe, along with assistance from the U.S., the FARC's power has been diminished; however, this led to the strengthening of the AUC paramilitary group. In Chapter IV, we will examine the balloon effect; however, based on the history of the cocaine trade in Colombia, we can see that the more intently a state focuses on a particular set of actors, the more likely it is that the other actors will derive profits from the drug trade.

C. MEXICO: A COUNTRY WITH A RICH HISTORY IN THE DRUG TRADE

Recently, it seems that Mexico has been exceedingly making headline; however, the reason usually has to do with the violent drug wars that have littered the streets of Mexico. Whether the news is about the death of workers from the U.S. consulate in Mexico, the bodies of seventy-two migrants killed in the northeastern border state of Tamaulipas, or the apprehension of a high-level Mexican drug leader, the underlying theme for all these stories seems to stem from the struggle between the state and narco-traffickers. However, the struggle between narco-traffickers and the state did not begin

with the election of Mexican President Felipe Calderon in 2006. To understand the struggle between the Mexican cartels and the state, we must view Mexico from a historical perspective.

The dealing of illicit drugs in Mexico during the 1910s was sufficiently profitable to attract powerful politicians such as Colonel Esteban Cantu, who was the Governor of Baja California (1914–1920) and also entrenched in the trafficking of opium.[155] It is important to note that during Cantu's term as Governor, the U.S. had already passed the Harrison Narcotic Act of 1914, which was a prohibitionist law aimed at preventing the use of primarily opium in the U.S.; however, in Mexico, the poppy culture and its illegal commerce were not prohibited until 1926.[156] Regardless of the legality, Cantu granted leases for opium trafficking in the region he governed for large sums of money. According to Astorga, "Cantu was a pioneer of the tradition between revolutionary politicians and those who succeeded them of conducting private business from public office, regardless of moral considerations and the illegal nature of the activities."[157] Another example of a high-level Mexican official who amassed a fortune thanks in large part to the sale of illicit drugs was General Abelardo L. Rodriguez, who replaced Cantu and from 1932–1934, served as acting president of Mexico. Profits from the illicit drug trade were so enticing, even Bugsy Siegel and Virginia Hill from the Luciano-Lansky group (U.S. mafia) negotiated with Mexican politicians "in order to be able to finance the cultivation of opium poppy in the northwestern part of Mexico."[158]

Astorga further mentions several other Mexican politicians, such as Enrique Fernandez among others; however, the importance of these corrupt officials is "to suggest that there is evidence that a pattern of control by politicians over criminals is more accurate than the contrary thesis that posits the traffickers penetration of the clean, transparent, and virginal field of politics."[159] Furthermore, viewing the corruption of

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[155] Luis Astorga, "Organized Crime and the Organization of Crime," in John Bailey and Roy Godson, *Organized Crime and Democratic Governability* (Pittsburgh: University of Pittsburgh Pres, 2001), 62.

[156] Ibid., 60–62.

[157] Ibid., 62.

[158] Ibid., 65.

[159] Ibid., 69.

high-level political officials as far back as the 1910s shows us that the struggle Mexico currently faces along with the massive corruption seen is by no means a new occurrence.

Astorga breaks the development of the drug trafficking into five stages. First, drug trafficking began with the formation and consolidation of the post-revolutionary state. It is during this stage that the political elite, especially in the northern states (where the prohibited commodities are produced and the location of trafficking sites), are mentioned as directly controlling drug trafficking. The second stage began in 1947 when the Office of the Attorney General (PGR) and the National Security Police (DFS) were established and the army became openly involved with the destruction of plots where marijuana and opium were grown. During the second stage, police forces became the structural mediator between the hegemonic political power and the drug traffickers. The third stage starts from the end of the 1960s until the mid-1980s. During this time period, there is a dramatic increase in demand from the U.S. markets for marijuana and cocaine; likewise, there is an increase of violence in Mexico between narco-traffickers and the police and military. Furthermore, during this time period, it became increasingly difficult for the state to control the new generation of traffickers and their larger number, within the socially tolerable limits of violence. The fourth stage began in 1985 following the torture and murder of DEA agent Enrique Camarena. Following the murder, American authorities publicly named Mexican politicians and high-level police and military officers as protectors of drug traffickers. The murder of Camarena served to remind the U.S. that there was indeed a drug war occurring in Mexico. The fifth stage begins in the early 1990s with the accelerated breakup of the post-revolutionary political system, which was a structure based on the concentration of power in the institutional presidency and one political party, the Institutional Revolutionary Party (PRI) that ruled for almost seven decades.[160] The decline of the PRI's power during the 1990s left the Mexican drug trade without a central governing authority, forcing the Mexican cartels to resolve disputes among themselves which usually meant by the way of the gun.[161]

[160] Astorga, "Organized Crime and the Organization of Crime," 79–81.

[161] Brands, *Mexico's Narco-Insurgency and U.S. Counterdrug Policy*, 6.

Although Mexico has been involved in the trafficking of drugs since the early 1900s, Mexico became a key player in the cocaine trade following the fall of the Medellin and Cali cartels. During the dominance of the Medellin and Cali cartels, Mexican gangs were used primarily as mules to transport cocaine across the border into the U.S. However, with the fall of both cartels in Colombia and the rise of the less powerful and more decentralized cartelitos, the Colombians sought alliances with Mexican gangs in order to transport cocaine. According to Dermota in 1997, Colombians were shipping cocaine to Mexico in loads as large as eight tons in Boeing 727s, with the profits generated by Mexican gangs increasing substantially.[162] With profits continuing to rise due in large part to the cocaine trade, Mexican drug syndicates divided up Mexico into turfs, which gives rise to the current Mexican cartels we see today.[163] These Mexican cartels would gradually assume responsibilities for the wholesale distribution of most of the cocaine smuggled into the U.S. Likewise, the bloody war between the Mexican cartels over control of territories is the primary reason there has been an outbreak of violence in Mexico, especially after the election of Mexican President Felipe Calderon in 2006.

According to the Mexican government, there are seven drug cartels operating in Mexico; however, the four dominant cartels include the Gulf, Sinaloa, Juarez, and Tijuana cartel.[164] Figure 2 graphically depicts the location of these cartels and the areas that are in dispute, which also tend to be the most violent areas in Mexico such as Juarez. Recently, the Mexican cartels have formed alliances creating two large rival cartels competing for turf; however, the cartels remain independent organizations even though they work together. The Tijuana cartel formed an alliance with the Gulf cartel, due in large part to the negotiations conducted in prison by their leaders. To combat this cartel, the Sinaloa, Juarez, and Valencia cartel formed an alliance known as "the Federation."[165]

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[162] Ken Dermota, "Drugs and the Spirit of Capitalism," *World Policy Journal* 16, no. 4, (Winter 1999/2000), 16.

[163] Ibid.

[164] Colleen Cook, "Mexico's Drug Cartels," Report for Congress, October 16, 2007, 1.

[165] Ibid.

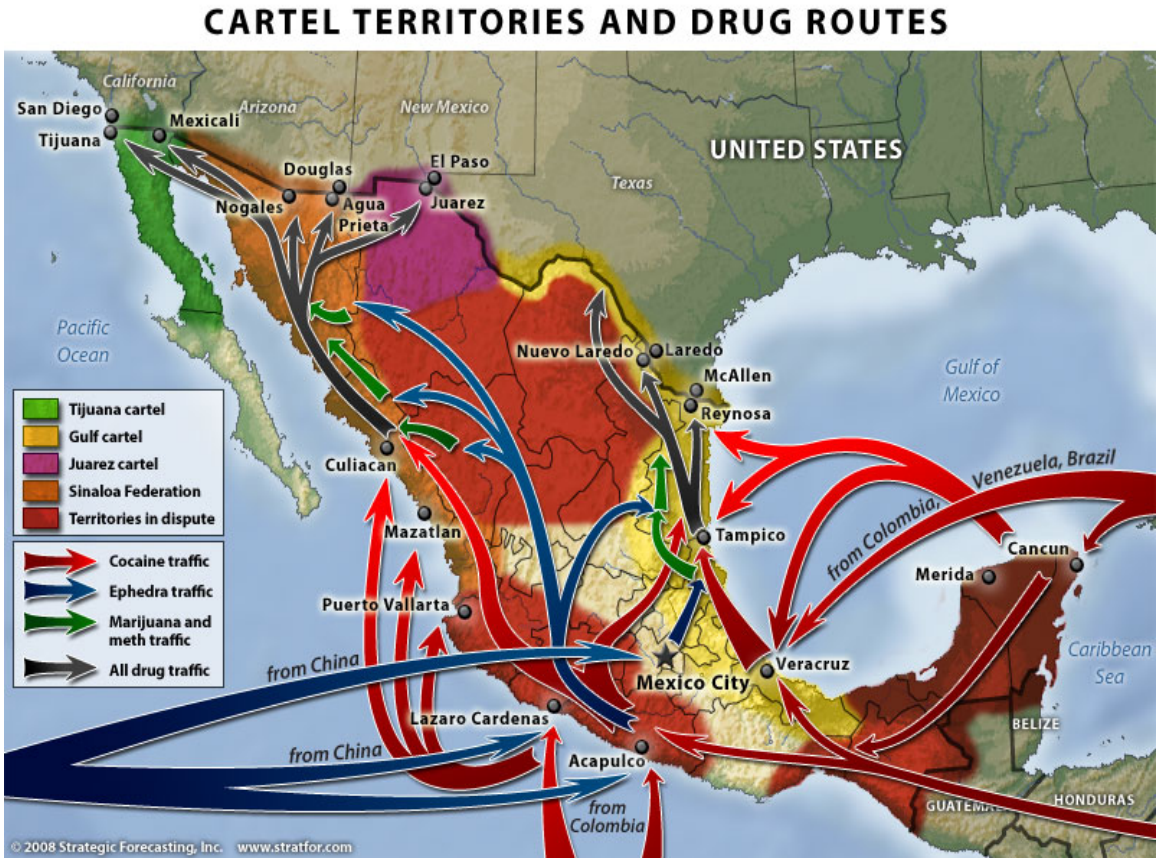

Figure 2. Mexican Cartel Territories and Drug Routes.[166]

These two alliances are the main foreign supplier of marijuana and a major supplier of methamphetamine and heroin; however, the U.S. State Department estimates that ninety percent of cocaine that enters the U.S. transits Mexico, which generates profits of up to $48 billion annually for the Mexican cartels.[167] The ability for the Mexican cartels to generate such astounding profits has led the DEA to note "the Mexican cartels now have command and control over the drug trade and are starting to show the hallmarks of organized crime, such as organizing into distinct cells with subordinate cells that operate throughout the U.S.[168] As a result, Mexican cartels are now the leading

[166] Friedman, "The Geopolitics of Dope."

[167] Cook, "Mexico's Drug Cartels," 2.

[168] Ibid., 2–3.

wholesale launderers of drug money from the U.S. smuggling an estimated $10–25 billion in drug money to be laundered in both the U.S. and Mexico.

The Mexican cartels dominance over the state has been further enhanced by the hiring of their own paramilitary forces, who tend to be prior Mexican Special Forces operatives. The Gulf cartel was the first to form a group known as "Los Zetas," which served as the Gulf cartels personal paramilitary group. Due to the fact that Los Zetas was created by a group of thirty lieutenants and sub-lieutenants who deserted from the Mexican military's Special Air Mobile Force Group (GAFES), Los Zetas are able to carry out complex operations and use sophisticated weaponry.[169] Simply put, Los Zetas act as hired assassins for the Gulf cartel and also engage in the trafficking of arms, kidnapping, drug dealing, and money laundering. In order to combat the threat of Los Zetas, the Sinaloa cartel established its own heavily armed enforcer gangs, the Negros and Pelones.[170] Los Zetas, Negros, and Pelones serve as the enforcers for the Mexican cartels and are also a cause for the increasing violence in Mexico.

D. CHAPTER II CONCLUSION

In summary, the drug trade in Mexico is by no means a new phenomenon and one can argue that corruption from high-level Mexican politicians dates back to the early 1900s. Furthermore the Mexican DTOs have become more powerful since the fall of the Medellin and Cali cartels. The Mexican cartels of today have generated a vast sum of profits thanks in large part to the cocaine trade, (along with marijuana and methamphetamines) which has also allowed them to increase their power, form paramilitary groups to act as enforcers, and directly challenge the state. Likewise, the Mexican cartels can use their resources to corrupt Mexican public officials who either turn a blind eye to cartel activities or work directly for them. Finally, the decline of the PRI's left Mexico without a central governing authority, allowing the Mexican cartels to

[169] Cook, "Mexico's Drug Cartels," 7.

[170] Ibid., 8.

further increase their power. Mexican President Felipe Calderon has taken a hard stance against the Mexican cartels; however, the drug trade has continued and violence in Mexico has reached higher levels of intensity.

The purpose of this chapter was to show that the struggle against DTOs in both Colombia and Mexico dates back decades. Mexico is often compared with Colombia, and as we have shown, for good reason; however, when comparing the two states, it is important to identify which stage of Colombia's struggle you are comparing. In the case of Colombia, two distinct stages can be seen. The first stage was the Colombian struggle against both the Medellin and Cali cartels. Conversely, the second stage was the Colombian struggle against guerrilla and paramilitary groups such as the FARC, AUC, and ELN. This chapter has shown that it is more appropriate to compare Mexico's current struggle with that of Colombia's initial struggle against the Medellin and Cali cartels from the mid-1980s through the early 1990s.[171] Both Colombia and Mexico seem to suffer from several of the same traits such as mass violence, rampant corruption at all levels of government, and an overall lack of control and inability of the state to provide security. Although Colombia also suffered from many of these same traits in its struggle against the FARC, AUC, and ELN, these groups have a political agenda that the Mexican cartels seem to lack. As we will see in Chapter III, similar to the Colombia and Mexico comparison, many also compare Plan Colombia to the Merida Initiative. Chapter III will outline the U.S. response to deal with the drug problems in both Colombia (Plan Colombia) and Mexico (Merida Initiative).

[171] Brands, *Mexico's Narco-Insurgency and U.S. Counterdrug Policy*, 2.

III. THE MERIDA INITIATIVE VERSUS PLAN COLOMBIA

A. INTRODUCTION

On September 8, 2010, Secretary of State Hilary Clinton addressed the Council on Foreign Relations and said, "we (the U.S. and Mexico) face an increasing threat from a well-organized network drug trafficking threat that is, in some cases, morphing into or making common cause with what we would consider an insurgency in Mexico and Central America…and these drug cartels (in Mexico) are now showing more and more indices of insurgency; all of a sudden, car bombs show up which were not there before."[172] These remarks were quickly protested by the Mexican government and sparked fears of expanded U.S. military intervention. Furthermore, the Obama administration tried to conduct damage control by saying "the term insurgency should not be viewed in the same way we would refer to a Colombian insurgency. Not an insurgency of militarized group within a society that is attempting to take over the state for political reasons."[173] It is clear from the reaction to Secretary of State Clinton's speech that the government of Mexico and its elected officials do not want to be compared to Colombia or Plan Colombia, due in large part to the thought of U.S. military presence, which enrages nationalist sentiment.[174]

As we showed in Chapter II, the comparison of Mexico's current struggle to Colombia's struggle against the Medellin and Cali cartels in the mid-1980s through the early 1990s is appropriate. Due to the comparison often drawn between the two U.S. assistance plans, it is important to compare and contrast both Plan Colombia and the Merida Initiative in order to understand the method the U.S. prefers in combating the drug problem in Latin America. This chapter will identify where the majority of U.S. funds have been used for in both Plan Colombia and the Merida Initiative in order to

[172]U.S. Department of State, "Remarks on United States Foreign Policy," September 2008, http://www.state.gov/secretary/rm/2010/09/146917.htm (accessed September 14, 2010).

[173]Americas Program, "A Plan Colombia for Mexico," October 9, 2010, http://www.cipamericas.org/archives/3202 (accessed October 14, 2010).

[174] Ibid.

better understand the U.S. approach to the cocaine quagmire. Whether or not one can call the Merida Initiative the new Plan Colombia is not the issue; the issue is whether the U.S. approach to the problem in Mexico is indeed the best way to combat the ongoing drug war in Mexico. The first section of this chapter will focus on Plan Colombia and describe its failures and successes. The second section will focus on the Merida Initiative, which is the U.S. assistance program for both Mexico and certain Central American states. Table 1 shows a quick summary of both Plan Colombia and the Merida Initiative.

	Plan Colombia	Merida Initiative
Country context	Population 45 M*; 1.14 M. sq. km.; GDP=US$250B* (2008); GDP/cap=US$5,174; budget expend=US$65B; unitary, with significant decentralization; 32 departments, 1,100 counties	Population 110 M; 1.97 M. sq. km.; GDP=US$1,142B (2008); GDP/cap=US$10,747; budget expend=US$227B; federal, with 32 states, 1,400 counties
Problem profile	Major guerrilla insurgencies; generalized violence; major producer & trafficker of illicit drugs; limited central government presence; corruption in police-justice system	Minor regional rebellion; producer & major trafficker of illicit drugs; rapid upsurge in trafficking violence; localized challenges to government presence; acute corruption in police-justice system
Policy origins	1999–2000; US proactive in policy design	2007–2008; US reactive in policy design
Policy scope: goals & countries	Internal security & anti-trafficking; social justice; development. Primary= Colombia; secondary=Peru & Ecuador	Internal security; law enforcement & justice admin.; Primary=Mexico; secondary=Central America & Caribbean
Policy targets	Insurgency (FARC; ELN); self-defense organizations; drug crop eradication; criminal justice system; economic development (e.g., crop substitution)	Counter-drug; counter-terror; border security; public security & law enforcement; institution-building & rule of law
Time commitment	2000–2006; succeeded by similar follow-on policies	Fiscal year 2008 through fiscal year 2010, with indications of extension
US financial commitment	US$7.5B; US currently seeks reduced commitment	US$1.4 B announced; approx. 10% program costs; --- appropriated in 2008; negotiations expected in Congress in 2009.
US commitments for internal policy	Reduce drug demand	"Genuine partnership"; Reduce drug demand; halt: weapons trafficking, precursor chemicals, money laundering

Table 1. Contexts and Characteristics of Plan Colombia and the Merida Initiative[175]

[175] International Monetary Fund, *World Economic Outlook Database*, October 2008.

B. PLAN COLOMBIA: AN ANTIDRUG POLICY OR A COUNTER INSURGENCY?

Plan Colombia was approved by the U.S. Congress on July 13, 2000, and from fiscal year (FY) 2000 through FY2009, the U.S. funding for Plan Colombia, and its follow on, the Strategy for Strengthening Democracy and Promoting Social Development, have exceed $7.5 billion in State Department and Department of Defense (DoD) programs.[176] According to the Office of National Drug Control Policy (ONDCP), "since Plan Colombia legislation and funding were passed by the U.S. Congress, Colombia has gone from an almost failed state on the verge of becoming a narco-state, to a strong democratic nation with an improving economy and reduced levels of violence. This furthers the overarching U.S. objective of reducing the quantity of illegal drugs flowing into the U.S."[177] Although the ONDCPs description of Plan Colombia seems to be that of an overwhelming success, it is important to state the objectives of Plan Colombia and see if these objectives have been met over the past decade.

Although there is significant overlap between the U.S. and Colombia in terms of objectives to be met with Plan Colombia, there are significant differences that must be noted. According to Veillette, "the primary U.S. objective was to prevent the flow of illegal drugs into the U.S., as well as to help Colombia promote peace and economic development because it contributes to regional security in the Andes."[178] Conversely, the primary objectives of the Colombian government included five areas: to promote peace, economic development, anti-drug production and trafficking, reform of justice and protection of human rights, and democracy promotion and social development.[179] However, with the increasing influence of the FARC and the election of President Alvaro Uribe, the Colombian government's objective shifted to one primarily focused on taking a tougher approach against insurgency groups, especially the FARC and ELN that

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[176] June Beittel and Clare Ribando Seelke, "Colombia: Issues for Congress," *Congressional Research Service*, August 7, 2009, 28.

[177] Office of National Drug Control Policy, "Source Countries and Drug Transit Zones: Colombia," http://www.whitehousedrugpolicy.gov/international/colombia.html, (accessed September 14, 2010).

[178] Connie Veillette, "Plan Colombia: A Progress Report," *Congressional Research Service*, June 22, 2005, 2.

[179] Ibid., 5.

operated in Colombia and benefited from the drug trade.[180] President Uribe increasingly equated the guerrillas with DTOs and terrorists and initiated a military campaign known as Plan Patriota, to recapture guerrilla controlled territory, which had exceed over 40 percent of Colombia. Figure 3 illustrates the height of the FARC's power in 2002 with almost 17,000 soldiers and a vast territory under its control. Similarly, the U.S. shifted its objective from a strictly counternarcotics focus to one that supported President Uribe's fight against leftist guerrillas. By 2002, President Bush requested, and Congress approved, expanded authority to use U.S. counternarcotics funds for a unified campaign to fight both DTOs and terrorist organizations in Colombia.[181] After 2002, one can argue that Plan Colombia switched from a counternarcotics focus to a counterinsurgency focus.

[180] Veillette, "Plan Colombia: A Progress Report," 5.

[181] Ibid., 6.

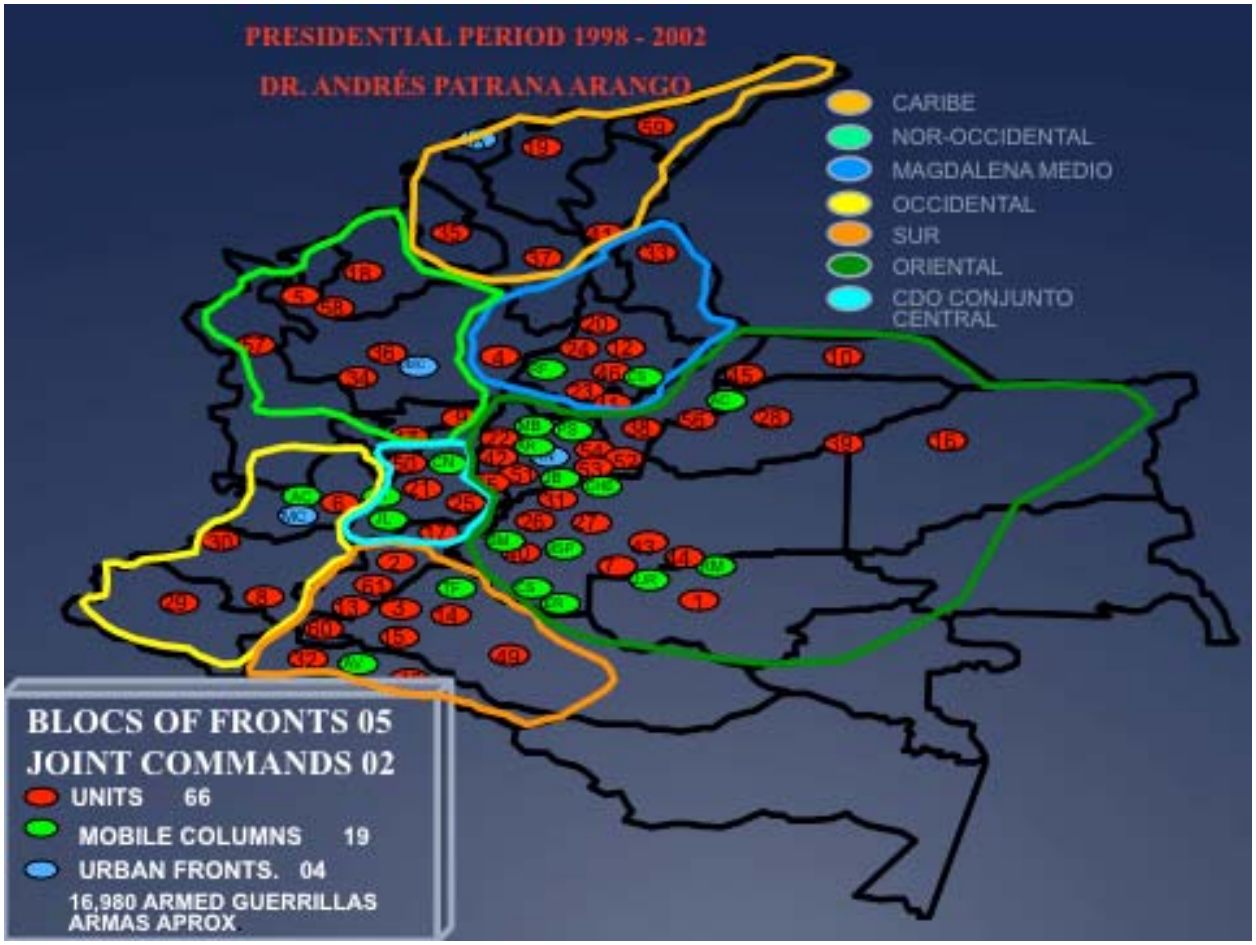

Figure 3. Land Controlled by the FARC, 1998–2002.[182]

Most acknowledge that Plan Colombia's success strictly from a counter narcotic standpoint has been minimal and failed to achieve its desired outcome of "reducing the cultivation, processing, and distribution of narcotics by 50 percent in six years (2000–2006)."[183] Figure 1 shows that Colombia produced 695 metric tons of cocaine in 2000, and by 2006, Colombia produced 660 metric tons, which represents only a 5 percent decrease in six years. However, in 2008 Colombia produced 450 metric tons of cocaine, representing a 35 percent decrease since 2000. Although this reduction is still short of the desired 50 percent decrease, what is troubling is the fact that the total global production of cocaine has decreased from 879 metric tons in 2000 to 865 metric tons in

[182] Courtesy of the Colombian Ministry of Defense.

[183] Felbab-Brown, "The Violent Drug Market in Mexico and Lessons from Colombia," 10.

2008, which represents a 1 percent decrease in total cocaine available. Although the cocaine output in Colombia may be decreasing, Figure 1 shows that total cocaine production from 2000-2008 has decreased by 1 percent, meaning that Peru and Bolivia have increased their production to meet demand.

Figure 4 illustrates the global coca cultivation measured in hectares from 1990–2009. In 2000, Colombia cultivated an estimated 163,300 hectares of coca, which accounted for almost 75 percent of all coca cultivated that year. In 2008, Colombia cultivated 68,000 hectares of coca, which accounted for 42 percent of all coca produced and a decrease of almost 60 percent since 2000. However, one must realize that the process of analyzing the cultivation of coca is difficult, because the amount of coca that can be cultivated on a plot of land varies over time and between areas. Furthermore, productivity has grown in some areas due to improvements in both farming and processing techniques.[184] These two figures show that although there have been radical changes within countries as far as cocaine output, total cocaine output has been fairly stable since 2000. Furthermore, U.S. government agencies responsible for tracking drug trends report that the availability, price, and purity of cocaine in the U.S. have remained stable.[185] The law of supply and demand tells us that if in fact our efforts decreased the supply of cocaine available, then we would see an increase in price; however, this has not been the case as evidenced by both the price of a kilogram of cocaine and the supply of cocaine since 2000.

[184] United Nations Office of Drug and Crime: World Drug Report 2010, 66.

[185] Veillette, "Plan Colombia: A Progress Report," 6.

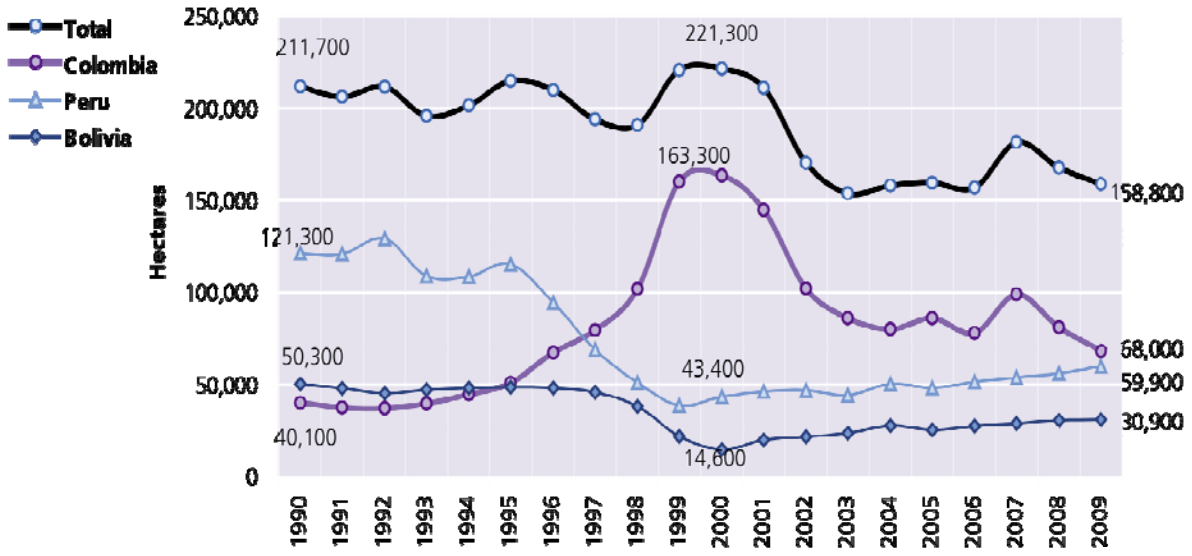

Figure 4. Global Coca Bush Cultivation (ha), 1990–2009.[186]

Another aspect of Plan Colombia that is often overlooked but remains a serious problem is human rights violations. The promotion of democracy, rule of law, and respect for human rights are shared objectives of both Colombia and the U.S.; however, since 2000, there have been many human rights violations that have been reported. The U.S. State Department's annual report on human rights for 2004 reported that although some progress has been made, serious problems remain. In fact, according to the report, there were between 3,000 and 4,000 civilian deaths due to the armed conflict and there were instances where members of the Colombian security forces committed serious violations of human rights, including cooperation with paramilitary groups.[187] Also alarming is the fact that Colombia has one of the largest internally displaced populations in the world with more than 3 million internally displaced persons (IDP).[188] Although the number of displaced persons has decreased in recent years, the Colombian government registered over 250,000 IDP's in 2007 alone. Both the human rights violations and the number of displaced persons in Colombia have caused the U.S.

[186] United Nations Office of Drugs and Crime, World Drug Report 2010, 66.

[187] Veillette, "Plan Colombia: A Progress Report," 15.

[188] Beittel, "Colombia: Issues for Congress," 14.

Congress to express concerns about how Colombia is fighting its counterinsurgency against the leftist guerrilla groups. However, in the latest certification of Colombia on July 2008, then Secretary of State Condoleezza Rice asserted that the Colombian government and armed forces "are meeting the statutory requirements with regard to human rights, but the Colombian government needs to do more to address serious human rights problems that persist."[189]

Another part of Plan Colombia that has come under scrutiny is the coca eradication efforts of both the U.S. and Colombia. The Plan Colombia eradication-spraying program began on December 2000 with operations by the U.S. funded counternarcotics brigade in Putumayo, Colombia.[190] In recent years, the U.S. and Colombian governments have increased their eradication efforts, and in 2007, the Colombian government eradicated over 219,000 hectares of elicit coca crops, with 70 percent of coca crops being destroyed by aerial eradication.[191] Although the eradication program may appear to be an overwhelming success, coca farmers undermined eradication success by taking effective countermeasures, such as moving coca fields into jungle areas where eradication is difficult. Furthermore, aerial eradication has become controversial in both Colombia and the U.S. because critics charge that the herbicide, glyphosate, has unknown environmental and health effects, and that it deprives farmers of their livelihood, particularly in light of a lack of coordination with alternative development programs. Although Figure 4 shows a significant decrease in coca cultivation in Colombia, (Figure 1 shows that Colombia produces slightly less cocaine as compared to 2000) which seems to indicate that the coca farmers are improving both their farming and processing techniques.[192]

Perhaps the greatest weakness of U.S. antidrug policy has been its failure to reduce the economic incentives that push poor farmers to provide a steady supply of coca to the DTOs.[193] As of 2008, Colombian farmers could earn four to twelve times more by

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[189] Beittel, "Colombia: Issues for Congress," 30.

[190] Ibid., 25.

[191] Ibid., 20.

[192] United Nations Office of Drug and Crime: World Drug Report 2010, 66.

[193] Brands, *Mexico's Narco-Insurgency and U.S. Counterdrug Policy*, 30.

cultivating coca than by planting an alternative crop such as coffee, which is roughly the same ratio as before Plan Colombia.[194] The U.S. Agency for International Development (USAID) funds alternative development programs to assist illicit crop farmers in the switch from illicit to licit crops and provides assistance with infrastructure and marketing.[195] Although from 2000 to 2005 the U.S. spent $1.2 billion on aerial spraying programs that eradicated hundreds of thousands of hectares of coca, the U.S. only spent $213 million on alternative farming development programs meant to provide the coca farmers with another source of income and an incentive to turn to a legitimate crop.[196] Furthermore, according to a Government Accountability Office (GAO) report that examined the progress of Plan Colombia, the majority of the USAID alternative development projects were not located in areas where the majority of coca is grown in Colombia.[197] Security concerns are the primary reason as to why USAID assistance cannot reach areas where the majority of coca is grown; however, one can clearly see that the amount of money spent on eradication as compared to development programs is imbalanced and a cause for concern.

One can argue that Plan Colombia has not accomplished its stated counternarcotics objective; however, the success of Plan Colombia has been in the security sphere. According to Felbab-Brown, good security is not only important on its own; it is also a necessary precondition for the success of counternarcotics policies.[198] As Figure 3 shows, the FARC at their height of power in 2002 controlled almost 40 percent of the Colombian territory and of the 1,099 municipalities in Colombia, more than 15 percent did not have a police presence.[199] During this time, great insecurity prevailed throughout the country and Colombia had among the highest kidnapping and homicide rates in the world. Furthermore, DTOs and FARC members prevented normal

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194 Brands, *Mexico's Narco-Insurgency and U.S. Counterdrug Policy*, 30–31.

195 Beittel, "Colombia: Issues for Congress," 26.

196 Brands, *Mexico's Narco-Insurgency and U.S. Counterdrug Policy*, 31.

197 Beittel, "Colombia: Issues for Congress," 26–27.

198 Felbab-Brown, "The Violent Drug Market in Mexico and Lessons from Colombia," 10.

199 Marcella, *Democratic Governance and the Rule of Law: Lessons from Colombia*, 17.

economic, political, and social activity and sometimes completely displaced the Colombian state.[200] By 2000, Colombia was undoubtedly on the brink of becoming a failed state.

As Table 2 shows and as Brands notes, "of the roughly $7.5 billion in aid granted under Plan Colombia, nearly 80 percent went to strengthening Colombia's military and National Police and facilitating interdiction. Since 2000, U.S. assistance has had pronounced benefits in the fight against the FARC. Plan Colombia funds were used "to train three elite counternarcotics battalions (approximately 3,000 soldiers) and 30 Ranger-style strike teams has roughly doubled the number of elite troops that the Colombian army can put into the field, while the provision of more than 70 Blackhawk and Huey II helicopters has greatly increased the mobility and combat effectiveness of these forces."[201] Likewise, the U.S. has provided U.S. military personnel and contractors to provide support and advice in the Colombian effort to defeat the FARC; however, U.S. forces have not conducting peacekeeping, security, or the complex and expensive missions of post-conflict reconstruction in Colombia and remain in an advisory and training role.[202] From 2005–2008, the number of U.S. military personnel varied from 136 to 563 while the civilian contractors ranged from 173 to 454; thus the U.S. involvement was limited, providing a strong element of legitimacy to the Colombian effort.[203] The improvements of the Colombian military and National Police, U.S. assistance in the form of advisors and training, and the assertive counterinsurgency program of President Alvaro Uribe have all helped in dealing the FARC a series of staggering blows and diminished their power as an insurgency group. In 2002, the FARC had over 17,000 members in its ranks; however, as of 2009, the FARC had approximately 8,000 members, kidnappings have decreased from a high of 1,708 in 2002 to less than 200 in 2008, and their annual income has decreased from $1.5 billion in 2003 to

[200] Felbab-Brown, "The Violent Drug Market in Mexico and Lessons from Colombia," 10.

[201] Brands, *Mexico's Narco-Insurgency and U.S. Counterdrug Policy*, 31.

[202] Marcella, *Democratic Governance and the Rule of Law: Lessons from Colombia*, 11.

[203] Ibid.

approximately 500 million in 2007.[204] Although the FARC still remains a viable threat, Plan Colombia has helped the Colombian government reclaim their land and irrevocably diminished their power.

	ACI/ACP	ESF	FMF	IMET	INCLE	NADR	AirWing	DOD	Total
FY2000	60.1	—	—	—	—	—	38.0	128.5	226.6
P.L. 106-246	832.0	—	—	—	—	—	—	100.7	932.7
FY2001	48.0	—	—	—	—	—	38.0	190.2	276.2
FY2002	379.9[a]	—	—	—	—	25.0	38.2	119.1	562.2
FY2003	580.2[b]	—	17.1	1.2	—	3.3	41.5	165.0	808.3
FY2004	473.9	—	98.5	1.7	—	.2	45.0	122.0	741.3
FY2005	462.8	—	99.2	1.7	—	5.1	45.0	200.0	813.8
FY2006	464.8	—	89.1	1.7	—	—	45.0	112.0	712.6
FY2007	465.0	—	85.5	1.6	—	4.1	37.0	101.0	694.2
FY2008	244.6	194.4	55.1	1.4	41.9	3.7	39.0	133.7	713.8
FY2009 (est)	242.5	200.0	53.0	1.4	45.0	3.2	n.a.	126.7	671.8
FY2010 (req)	[c]	200.7	66.4	1.7	237.8	6.5	n.a.	n.a.	513.1
Total	4,253.8	595.1	563.9	12.4	324.7	51.1	366.7	1,498.9	7,666.6

Sources: Figures are drawn from the annual State Department Foreign Operations Congressional Budget Justifications for fiscal years 2002 through 2010; the State Department's Washington File, "U.S. Support for Plan Colombia, FY2000 Emergency Supplemental Appropriations," July 5, 2000; the FY2006 Foreign Operations Appropriations Act, P.L. 109-102, and conference report, H.Rept. 109-265; and the FY2008 Consolidated Appropriations Act (P.L. 110-161) and Division J Joint Explanatory Statement.

Notes: For FY2000 and thereafter, Plan Colombia funds are assigned to the State Department's International Narcotics and Law Enforcement Bureau (INL) or the Andean Counterdrug Initiative (ACI). The State Department transfers funds to other agencies carrying out programs in Colombia, of which USAID has received the largest portion. Defense Department funding is from is Counter Narcotics account. DOD requests one sum for programs around the world and adjusts its regional allocations as needed.

a. Includes $6 million appropriated to FMF but transferred to the ACI account.

b. Includes $93 million in FMF regular appropriations and $20 million in FMF supplemental funds that were transferred to the ACI account.

c. U.S. Department of State has subsequently reallocated sums to different accounts in the FY2010 Congressional Budget Justification for Foreign Operations. In the FY2010 request, funds previously shown in the Andean Counterdrug Program moved to the State Department's INCLE account.

Table 2. U.S. Assistance For Plan Colombia, FY2000–FY2010 (in millions $).[205]

Another success of Plan Colombia has been the increase of cocaine interdiction. According to Brands, the delivery of ground radar systems, forward-looking infrared radar (FLIR) for Colombian intelligence aircraft, patrol boats for riverine interdiction, and other equipment and training has greatly increased Colombian interdiction capabilities.[206] Figure 5 illustrates the global interdiction of cocaine from 1990–2008

[204] Beittel, "Colombia: Issues for Congress," 9.

[205] Seelke, "Merida Initative for Mexico and Central America: Funding and Policy Issues," 6.

[206] Brands, *Mexico's Narco-Insurgency and U.S. Counterdrug Policy*, 31.

and it is important to note the dramatic increase in seizures from 2000 to 2008. In 2000, interdiction accounted for only 24 percent of all cocaine produced (207 metric tons) while in 2008, interdiction accounted for an astounding 42 percent of all cocaine produced (363 metric tons). Important numbers not taken into account in Figure 5 include the number of cocaine laboratories destroyed, which rose from 241 in 1999 to nearly 2,200 in 2006; the dozens of drug-carrying aircraft that have been captured or destroyed; and the arrests and extraditions of narco-traffickers that have increased exponentially.[207] In Chapter V we will discuss the importance of the Colombian partnership with Joint Inter Agency Task Force South (JIATF-S) and how this partnership has been able to deal with the emerging threat of self propelled semi submersibles (SPSS). In terms of interdiction, it is difficult to question the effectiveness Plan Colombia has had in improving the interdiction capability of Colombia.

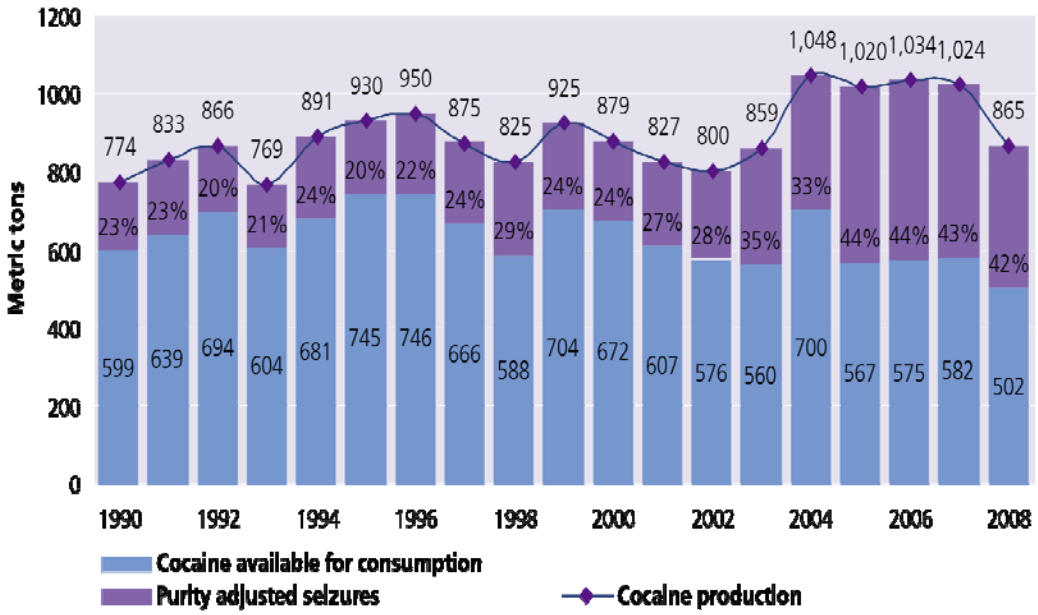

Figure 5. Cocaine Production, Seizures, and Supply to Markets, 1990–2008.[208]

[207] Brands, *Mexico's Narco-Insurgency and U.S. Counterdrug Policy*, 35.

[208] United Nations Office of Drugs and Crime, World Drug Report 2010, 68.

A final aspect that is often overlooked in terms of Plan Colombia is the $240 million (3 percent of total Plan Colombia funds) in funding used to promote the rule of law, judicial reform, and capacity building in Colombia.[209] The funds have been supervised by both USAID and the Department of Justice (DOJ) and have provided remarkable results in the areas of institutional strengthening, training, access to justice, public education, and awareness. As compared to 2000, criminal cases are now resolved in 75 percent less time, over 60 percent of cases formally charged have resulted in convictions, and there has been an 80 percent reduction in the backlog of criminal cases.[210] Furthermore, funding from Plan Colombia allowed the DOJ and USAID train more than 40,000 prosecutors, criminal investigators, judges, public defenders, and technical experts, while also creating 49 new justice houses.[211] Plan Colombia has helped the Colombian government improve its rule or law, judicial reform, and capacity building; however, Colombia continues to be a work in progress as a GAO report states that the justice system still has "limited capacity to address the magnitude of criminal activity and there still is a culture of illegality that still influences politics."[212]

In summary, Plan Colombia has had several successes, but it has also failed in meeting objectives set forth from the beginning. According to Brands, "the security accomplishments are undeniable, as are the upticks in seizures, arrests, extradition, and improvements in the judicial system; however, U.S. policy during this period has consistently failed to integrate these programs into a comprehensive counternarcotics strategy that fully exploits alternative development programs and domestic prevention and treatment initiatives."[213] The majority of funds from Plan Colombia (as illustrated in Table 1) have been used to improve both the Colombian military and National Police in order to attack the supply side of the cocaine trade. The imbalance of funding has

[209] Gabriel Marcella, *Democratic Governance and the Rule of Law: Lessons from Colombia*, 29.

[210] Gabriel Marcella, *Democratic Governance and the Rule of Law: Lessons from Colombia*, 29–30.

[211] Ibid., 30–31.

[212] Ibid., 33.

[213] Brands, *Mexico's Narco-Insurgency and U.S. Counterdrug Policy*, 38–39.

therefore helped alleviate certain adverse effects of the drug trade within Colombia, but has done little to address the deeper factors that drive the commerce.[214]

C. THE MERIDA INITIATIVE: A NEW ANTIDRUG POLICY OR PLAN COLOMBIA 2.0?

Due to the increase in violence in Mexico perpetrated by DTOs, gangs, and other criminal groups that has threatened the sovereignty of the Mexican government, the U.S. and Mexico announced on October 2007 the Merida Initiative (passed through Congress on June 2008), which is a multiyear proposal for $1.4 billion in U.S. assistance to Mexico and Central America aimed at defeating the DTOs and organized crime.[215] The stated objective announced in a joint statement of Mexico and the US for the Merida Initiative "is to maximize the effectiveness of efforts against drug, human, and weapons trafficking."[216] It is important to note that while Colombia and the U.S. shared various objectives for Plan Colombia, they also had differing views on other objectives; however, the Merida Initiative joint statement highlighted counterdrug and anticrime efforts of both the U.S. and Mexico and imply that both countries share the same objectives. Furthermore, Plan Colombia included the U.S. and Colombia and did not provide funding for other nations, whereas the Merida Initiative provides funding to Mexico, as well as Central American countries including Guatemala and Panama. According to Ribando, the Central American portion of the Merida Initiative "aims to bolster the capacity of governments to inspect and interdict unauthorized drugs, goods, arms, and people to support regional anti-gang efforts."[217]

According to Brands, the Merida Initiative "is representative of the supply side approach to the narcotics trade that has long characterized U.S. drug control policy emphasizing interdiction, enforcement, and security measures, with domestic treatment and prevention programs, economic development projects, and other alternative strategies

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[214] Brands, *Mexico's Narco-Insurgency and U.S. Counterdrug Policy*, 39.

[215] Seelke, "Merida Initiative for Mexico and Central America: Funding and Policy Issues," 1.

[216] Ibid.

[217] Ibid.

assuming a less important role."[218] Table 3 shows the breakdown of Merida funding for Mexico from FY2008–FY2010 and during this time, $1.28 billion out of the total $1.3 billion (96 percent) were funded through foreign military financing (FMF) and international narcotics control and law enforcement (INCLE), which are funds primarily used for law enforcement, interdiction, and security measures. Similarly, Table 4 shows the breakdown of Merida funding for Central America from FY2008–FY2010 (2010 total available but breakdown is not) and from FY2008–2009, $122 million out of the total $165 million (74 percent) were funded for law enforcement, interdiction, and security measures. Finally, Tables 3 and 4 show there is a discrepancy between the allocation of funds in Mexico and Central America because from FY2008–FY2010, Mexico accounted for 85 percent of all Merida funds distributed. Clearly, the Merida Initiative focuses heavily on Mexico as compared to other Central American countries.

Account	FY2008 Supp. (P.L. 110-252)	FY2009 Bridge (P.L. 110-252)	FY2009 (P.L. 111-8)	FY2009 Supp. (P.L. 111-32)	FY2010 P.L. 111-117)	Account Totals
ESF	20.0	0.0	15.0	0.0	15.0	50.0
INCLE	215.5	48.0	246.0	160.0	190.0	859.5
FMF	116.5	0.0	39.0	260.0	5.3	420.8
Total	352.0	48.0	300.0	420.0	210.3	1,330.3

Sources: U.S. Department of State, FY2008 Supplemental Appropriations Spending Plan, FY2009 Appropriations Spending Plan, and FY2009 Supplemental Spending Plan. FY2010 Consolidated Appropriations Act (P.L. 111-117).

Notes: ESF=Economic Support Fund; FMF=Foreign Military Financing; INCLE=International Narcotics Control and Law Enforcement.

Table 3. FY2008–2010 Merida Funding for Mexico (in millions).[219]

[218] Brands, *Mexico's Narco-Insurgency and U.S. Counterdrug Policy*, 5.

[219] Seelke, "Merida Initative for Mexico and Central America: Funding and Policy Issues," 6.

Account	FY2008 Supp. (P.L. 110-252)	FY2009 (P.L. 111-8)	FY2010 (P.L. 111-117)a
ESF	25.0	18.0	n/a
INCLE	24.8	70.0	n/a
NADR	6.2	0.0	n/a
FMF	4.0	17.0	n/a
Total	**60.0**	**105.0**	**83.0**

Source: U.S. Department of State, FY2008 Supplemental Appropriations Spending Plan, FY2009 Appropriations Spending Plan, and "Summary and Highlights, International Affairs, Function 150, Fiscal Year 2010."

Notes: ESF=Economic Support Fund; FMF=Foreign Military Financing; INCLE=International Narcotics Control and Law Enforcement; NADR=Non-proliferation, Anti-terrorism and Related Programs.

a. P.L. 111-117 does not provide a funding breakdown for Central America by aid account.

Table 4. FY2008–2010 Merida Funding for Central America (in millions).[220]

Although the Merida Initiative is the largest foreign aid package for the Western Hemisphere since Plan Colombia, and many have compared the Merida Initiative to Plan Colombia, the U.S. hopes to "forge a new kind of partnership between the U.S. Mexico, and Central America and in order for the initiative to be successful, all countries involved will have to accept their shared responsibility to tackle domestic problems contributing to drug trafficking and crime in the region, including U.S. demand."[221] This statement on paper signifies a change from Plan Colombia that will take into account not only the supply side of the cocaine trade but also the demand side as well, while also sharing the responsibility with partner nations. However, if one looks at the allocation of resources, the Merida Initiative resembles the same supply side approach taken with Plan Colombia.

As shown, the bulk of the funding for the Merida Initiative will be used to better enable Mexican authorities to contain and perhaps scale down the violence due to the bloody war waged by Mexican cartels. The Merida Initiative is designed to complement Mexican President Felipe Calderon's hard stance against Mexican drug cartels and "increase the operational capabilities of Mexican agencies and institutions to allow them to break the power and impunity of drug and criminal organizations that threaten the safety of their citizens and the stability and security in the region."[222] According to

220 Seelke, "Merida Initative for Mexico and Central America: Funding and Policy Issues," 8.

221 Brands, *Mexico's Narco-Insurgency and U.S. Counterdrug Policy*, 2.

222 Ibid., 22.

Brands, the majority of the Merida funds have been used to purchase eight transport helicopters designed to facilitate the rapid deployment of Mexican troops, two surveillance aircraft to give the government greater awareness of cartel activities, and also detection and interdiction equipment such as ion scanners, gamma and x-ray inspection equipment, and secure communications equipment to allow more efficient exchange of information and intelligence.[223]

The Merida Initiative, similar to Plan Colombia, is predominantly a supply side approach that focuses on interdiction and law enforcement and allocates few if any funds to institution building, anti-corruption, social projects, or economic programs. It should come as no surprise that the Merida Initiative focuses on the supply aspect of drugs because since the early 1980s "the dominant feature of U.S. counternarcotics policy is, and long has been, a supply-side approach."[224] Further reiterating this point, the 2008 National Drug Control Strategy issued by President Bush assigns the greatest importance to disrupting the operations of major foreign cartels rather than restricting domestic demand, promoting social and economic development, or pursuing alternative strategies for combating the drug trade.[225] The five goals of the strategy are 1) reduce the flow of drugs into the U.S.; 2) disrupt and dismantle major DTOs; 3) focus on the nexus between the drug trade and other potential transnational threats to the U.S. including terrorism; 4) deny drug traffickers, narco-terrorists, and their criminal associates their illicit profits and money laundering activities; and 5) assist foreign countries threatened by illegal drugs in strengthening their governance and law enforcement institutions. Table 4 shows a summary of both Plan Colombia and the Merida Initiative and as one can see, both follow the U.S. method of attacking the supply side of the narcotics trade.

The distribution of funds for the Merida Initiative may resemble that of Plan Colombia; however, it is important to note one distinct difference between the two policies. Plan Colombia, though originally a counternarcotics program, became a battle against the FARC and resembled a counterinsurgency, whereas the Merida Initiative is a

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[223] Brands, *Mexico's Narco-Insurgency and U.S. Counterdrug Policy*, 22–23.

[224] Ibid., 31.

[225] Ibid.

battle against Mexican cartels that are far more disparate than the leftist FARC faced by Colombia. Guerrilla insurgency is not an issue in Mexico as was the case in Colombia; instead, Mexico's key challenge is a sharp increase in drug related violence beginning in 2005 that has been escalating in subsequent years. While the majority of violence is concentrated in six of the thirty-two Mexican states where turf wars between Mexican cartels are most prevalent, the Mexican cartels are still able to bring violence to the rest of the state and directly challenge the sovereignty of the state. In order to combat the threat, Plan Colombia involved hundreds of U.S. troops and private contractors that were openly involved in Colombian military operations; however, Mexican officials have made it clear that no U.S. military personnel will be allowed to operate in Mexico.[226] Thus, the case of Colombia against the FARC is one that involves a complex internal war that has been ongoing since the 1960s where drug production and trafficking play a significant role, whereas Mexico is a case of hyper-violent DTOs that directly challenged the Mexican government for control of the state. The inability of U.S. forces and contractors to assist the Mexican government is a stark difference between Plan Colombia and the Merida Initiative that must be noted.

Plan Colombia in terms of its ability to promote state security are undeniable and we can still see the success of the program with the recent death of the FARC's second in command, Victor Julio Suarez Rojas (aka Mono Jojoy).[227] Although the FARC remains a viable threat in Colombia with over 8,000 members, the FARC no longer enjoys the stronghold it once possessed in Colombia, security in the region has improved dramatically, and Colombia is now relying less on U.S. assistance and taking ownership of its security. The Merida Initiative, although intended to be a multi-state effort to reduce drug trafficking and improve security in the region, is a policy that focuses almost exclusively on Mexico and their fight against DTOs. Since the election of Mexican President Calderon, we have seen a spike in violence in Mexico due to the drug cartels.

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[226] Brands, *Mexico's Narco-Insurgency and U.S. Counterdrug Policy*, 39.

[227] CNN, "Guerrilla Leader Killed in Colombia, President Says," September 23, 2010, http://www.cnn.com/2010/WORLD/americas/09/23/colombia.guerrilla.leader.killed/index.html (accessed September 24, 2010).

D. CHAPTER III CONCLUSION

In summary, this chapter has shown that Plan Colombia and the Merida Initiative share the same basic conceptual outline that emphasizes interdiction and the buildup of military and police forces rather than on capacity and institution building or demand for drugs. Plan Colombia eventually evolved into a counterinsurgency program set on eliminating the FARC from power in Colombia; however, most are quick to declare that Mexico does not face an insurgency threat as Secretary of State Clinton mentioned and was quickly corrected by both Mexican and U.S. officials. The official Department of Defense definition of an insurgency is stated in the Joint Chiefs of Staff (JCS) Pub 1 as, "an organized movement aimed at the overthrow of a constituted government through the use of subversion and armed conflict."[228] Furthermore, insurgencies are a type of armed conflict, of war between belligerents trying to gain power over one another, thus an attempt to weaken or disrupt the functions of government.[229] The Mexican cartels may not represent a typical insurgency such as an insurgency of ideology like the FARC or an insurgency based on religion such as Al-Qaeda; instead, the cartels are an ideology based on greed.[230] Perhaps Mexican and U.S. officials were quick to correct Mrs. Clinton because insurgency is seen as a direct challenge to the state and nobody wants to paint a gloomier picture of the dire situation in Mexico; however, Mrs. Clinton may be accurately describing Mexico as an insurgency, just not the typical insurgency we are used to seeing.

In Chapter II we concluded that a comparison between Colombia's struggle against the Medellin and Cali cartels in the mid-1980s through the early 1990s with that of Mexico's current struggle is appropriate. However, by comparing Plan Colombia to the Merida Initiative, we are comparing Colombia's fight against guerrilla and paramilitary groups instead of drug cartels. This chapter has shown that although Plan Colombia initially focused on counternarcotics, in the end the plan became more of a

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[228] Global Security, "Insurgency: The Unsolved Mystery," http://www.globalsecurity.org/military/library/report/1991/NEN.htm (accessed October 6, 2010).

[229] Bob Killebrew and Jennifer Bernal, "Crime Wars: Gangs, Cartels, and U.S. National Security," *Center for a New American Security* (September 2010), 8.

[230] Ibid.

counterinsurgency. Thus, one must ask why should the Merida Initiative so closely resemble Plan Colombia. Chapter II mentions the Andean Initiative, which was President George H. W. Bush's plan to defeat the Colombian cartels. Perhaps it may be more appropriate that the Merida Initiative more closely resembles a strategy that focuses more on defeating cartels than a counterinsurgency. The Andean Initiative understood that order to defeat the Colombian cartels, the U.S. and Colombian government had to join together to divide and conquer the Colombian cartels. The U.S. and Colombia first targeted the Medellin cartel and after their defeat, concentrated their efforts to defeat the Cali cartel. Following the defeat of the two cartels, hundreds of little cartelitos appeared; however, these groups did not have the power or ability to threaten the state as the Medellin and Cali cartel had. Likewise, the Colombian government allowed U.S. military forces and contractors to operate in Colombia in order to help defeat the cartels. Perhaps the U.S. should partner with the Mexican government and systematically defeat the Mexican drug cartels. The four dominant cartels in Mexico are the Gulf, Sinaloa, Juarez, and Tijuana cartels and perhaps a divide and conquer approach similar to the one used in Colombia is more appropriate. Following this approach will not guarantee a reduction in cocaine availability, but it may serve to weaken the powerful Mexican cartels and in time allow the Mexican state to regain control of its territory, which should be the immediate goal.

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IV. AVOIDING THE BALLOON EFFECT

A. INTRODUCTION

Many critics have argued and decades of research on U.S. drug wars have demonstrated that U.S. antidrug policies have only a limited impact on the amount of illicit drugs reaching the marketplace.[231] Critics argue that the billions of dollars in profit to be earned are so immense that DTOs adapt and find new ways to supply the market regardless of how many resources the U.S. puts in place to diminish the supply of drugs.[232] The term most often used is the "balloon effect," which guarantees that as cultivation is eradicated in one country or region, it merely reappears in another country or region; as some trafficking routes are closed down, new ones open up.[233]

The balloon effect means that while U.S. antidrug policies are unlikely to reduce the amount of drugs that enter the U.S. market over the long term, they can have a huge impact on the distribution of profits from the drug trade.[234] As a result, U.S. policy can choose who will benefit though U.S. choices of which actors (both among and within countries) to attack in the drug war. Peceny contends that Colombia provides an excellent case that highlights three central arguments: 1) the more intently the U.S. focuses on a particular source country, the more likely it is that drug production and profits will shift to other countries, 2) the more intently the U.S. focuses on a specific source country, the more likely it is that private armed actors will benefit disproportionately from drug profits, and 3) the more intently the U.S. focuses on a particular set of private actors in a particular country, the more likely it is that other actors will derive profits from the drug trade.[235]

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[231] Peceny, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," 99.

[232] Ibid.

[233] Ibid.

[234] Ibid.

[235] Ibid., 100.

As discussed in Chapter II, the Colombian case study shows that all three of Peceny's arguments are met. First, as Colombia became the primary focus of U.S. cocaine efforts, Mexico would begin to seize control of the cocaine trade and the majority of profits; however, we must note that cocaine production still remains centered in Colombia, Peru, and Bolivia. Next, as U.S. interdiction efforts concentrated on Colombian air and sea routes, we begin to see a loss in profit from both drug cartels and the FARC. Finally, as the U.S. concentrated on the dismantling of the Medellin cartel, the Cali cartel became the primary benefactors; once the U.S. concentrated on the dismantling of the Cali cartel, the FARC became the primary benefactors; and once the U.S. concentrated on the FARC, the AUC became the primary benefactors. Based on Colombia's experience, one can surmise that since Mexico has become the central focus of U.S. drug efforts, even if the Merida Initiative works, eventually another state or perhaps another actor in Mexico will supplant the Mexican cartels as the cocaine kingpin.

Chapter II also focused on the recent history of Colombia and Mexico, and from the information presented, we see several common traits between the two states. First and foremost is the lack of control either government was able to exercise over its territory. Following La Violencia, Colombia has had an armed actor, such as the Medellin or Cali cartel, the FARC, or the AUC that directly challenged the authority of the state. Several Mexican cartels are waging a war for control of the drug trade in Mexico that the Mexican government has been unable to impede. Likewise, both states have allowed these armed actors to exert an inordinate amount of influence through kickbacks or other forms of bribes allowing both states to suffer from a high level of corruption. Finally, both countries during their struggle suffered from a high murder rate. This chapter will look at several Latin American states that possess the similar traits both Colombia and Mexico share and see which state(s) are in the best position to replace Mexico as the cocaine capital and could pose a problem in the future. Chapter III showed how the Merida Initiative, although intended to provide funding for many Central American states as well as Mexico, has primarily been a plan focused on Mexico. Similarly, Plan Colombia focused solely on Colombia, and during those years, Mexico was able to become the dominant player in the cocaine trade since little attention was

given to it. For this reason, it is important for the U.S. to have a long-term vision in the war on drugs because if the balloon effect holds and the Merida Initiative successfully defeats the Mexican cartels, then we should expect a state or another actor to seize control of the drug trade and eventually supplant Mexico as the primary player in the cocaine trade.

B. CENTRAL AMERICA: MORE THAN JUST A TRANSPORTATION HUB FOR DRUGS

DTOs have operated in Central America (Figure 6 shows a map of the Central American region) since the beginning of the coca trade in the late 1940s. For the most part, Central American organizations have had one role in drug trafficking: to transport drugs between South America and Mexico, which is why they are known as transportistas.[236] Recently, these Central America organizations have taken on the role of local distributors, and in some cases, the suppliers of marijuana and poppy (used for the production of heroin), as well as importers and suppliers for the raw ingredients of synthetic drugs that are manufactured in Mexico.[237] However, the transportistas main purpose on a regional level remains that of receiving, storing, and transporting the drugs safely primarily to Mexico, but sometimes directly to the U.S.

[236] Steven Dudley, "Drug Trafficking Organizations in Central America: Transportistas, Mexican Cartels, and Maras," *Woodrow Wilson International Center for Scholars* (May 2010), 7.

[237] Ibid.

Figure 6. Map of Central America.[238]

The rise of the Mexican cartels has also led to an increase in drug activity in Central America because the Mexican DTOs are beginning to shift some of their operations to Central America. First, we are beginning to see an increase in cocaine seizures in Central America. As Figure 7 shows, since 2002, we have seen an exponential increase in seizures in the area, which suggests that larger organizations (i.e., Mexican cartels) have started to use the region to store and move larger quantities of cocaine. However, more problematic is the fact that the increase in storage means there is a requirement for more infrastructure and logistics, which leads to the need for more

[238] Trip Speak, "Map of Central America," http://www.tripspeak.co.uk/2009/09/map-of-central-america/ (accessed September 7, 2010).

physical presence by DTOs in Central American countries.[239] Likewise, the homicide rates in the region have been increasing at an alarming rate. Next, we are beginning to see transportistas penetrate portions of the police, treasury, customs, military, attorney general's offices, and court systems in Central America.[240] Finally, Central America is a region that has a long history with gangs, (or maras, as they are known) which are able to flourish in the area due to the severe poverty, lack of basic services or education, and lack of control exercised by the state.[241] There are dozens of gangs in Central America, but the Mara Salvatrucha (MS-13) and the Barrio 18 are by far the largest and serve as a recruiting base for the DTOs. Central America has become a cause for concern due to the increasing influence of DTOs but undoubtedly, the region most affected by the DTOs are El Salvador, Guatemala, and Honduras, which combined form an area known as the Northern Triangle. According to the United Nations (U.N.), the Northern Triangle ranks as the most dangerous place in the world.

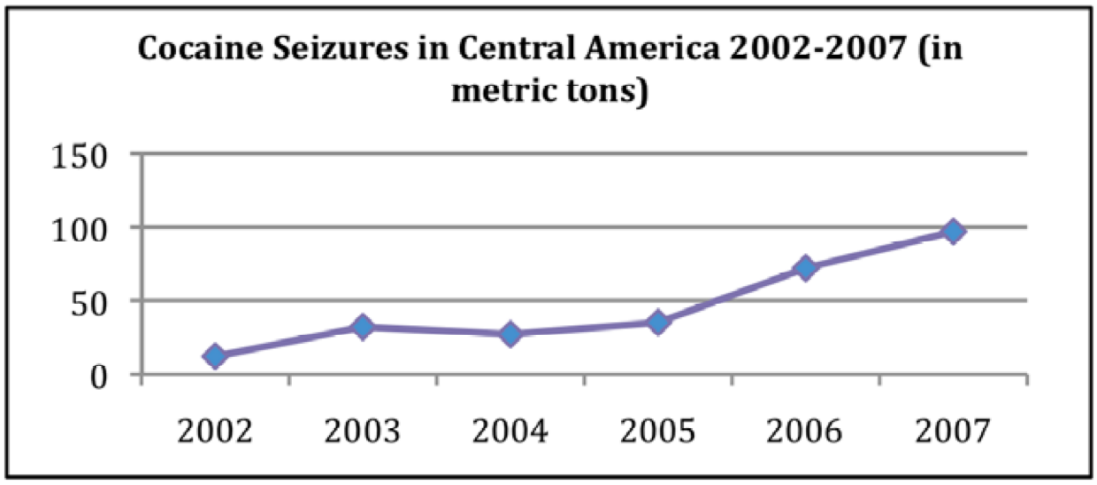

Figure 7. Cocaine Seizures in Central America 2002–2007[242]

[239] Dudley, "Drug Trafficking Organizations in Central America: Transportistas, Mexican Cartels, and Maras," 9.

[240] Ibid., 14.

[241] Ibid., 19.

[242] Ibid., 10.

1. The Northern Triangle: Violence and Gangs

a. El Salvador: Home of MS-13

El Salvador has a population of roughly 7.2 million and for decades has maintained a good relationship with the U.S. During the 1980s, it was the largest recipient of U.S. aid in Latin America as its government struggled against the Farabundo Marti National Liberation Front (FMLN) insurgency during a twelve-year civil war.[243] Today, El Salvador is a transit country for cocaine and heroin sent from South America to the U.S. via land and sea.[244] U.S. officials estimate that approximately 400 metric tons of cocaine flows through the Eastern Pacific region and along overland routes.[245]

Perhaps the greatest cause for concern in El Salvador is the deteriorating security and lack of control the state is able to exercise due to the increase in crime and violence related to not only the drug trade, but also pervasive poverty, unemployment, and corruption.[246] In 2009, El Salvador recorded approximately 4,365 murders, which is a 43 percent increase compared to 2008 and results in a murder rate of 52 per 100,000 inhabitants, one of the highest in the world.[247] According to Seelke, there are over 30,000 Salvadoran youth who belong to gangs such as MS-13 and Barrio 18 and account for over 60 percent of the homicides. The gangs in El Salvador pose a grave threat to the state and its security due to their actions, which include, extortion, kidnap, drug trafficking, and murdering local rivals, neighbors, and security personnel. The Government of El Salvador (GOES) responded to the threat of gangs with a so called "Mano Dura" or iron fist approach, which included the roundup of thousands of youth based on their appearance, associations, or address.[248] According to Dudley, "most of

[243] Clare Ribando Seelke, "El Salvador: Political, Economic, and Social Conditions and U.S. Relations," *Congressional Research Service* (March, 2010), 1.

[244] International Narcotics Control Strategy Report I, *U.S. Department of State,* March 2010, 265.

[245] Ibid.

[246] Seelke, "El Salvador: Political, Economic, and Social Conditions and U.S. Relations," 4.

[247] Ibid.

[248] Dudley, "Drug Trafficking Organizations in Central America: Transportistas, Mexican Cartels, and Maras," 12.

these arrests did not hold up in Salvadoran courts but served to further stigmatize already marginal communities and may have accelerated recruitment for the gangs themselves."[249]

Due to the established gangs in El Salvador, the Mexican cartels already had an established recruiting base to extend their network. The contact between Mexican cartels and El Salvadorian gangs, such as MS-13, poses a destabilizing threat because the gangs can shift from small neighborhood operations to international narco-traffickers if action is not taken to prevent this from happening.[250] The Mexican paramilitary group known as Los Zetas have already had meetings with MS-13 leaders in El Salvador, while some MS-13 leaders have already received training from the highly trained Zetas in Mexico.[251] The influence of Mexican cartels in El Salvador has already led to an increase in violence, but more worrisome is the fact that El Salvadorian gangs are starting to build relations with Mexican cartels which could pose a significant problem to not only the ill-equipped El Salvadorian military, but to the state as well.

b. Honduras

Honduras has a population of approximately 7.4 million people and has had a democratic constitutional governance for the past twenty-seven years. However, on June 28, 2009, the Honduran military detained then President Manuel Zelaya and forced him to exile in Costa Rica, which led to the U.S. and the rest of the international community universally condemning Zelaya's ouster.[252] Although Honduras recently elected President Porfirio Lobo as their new President, many countries refuse to recognize the Lobo government because of a concern about the state of democracy in Latin America and the possibility that the coup in Honduras could serve as an example

[249]Dudley, "Drug Trafficking Organizations in Central America: Transportistas, Mexican Cartels, and Maras," 12.

[250] Ibid., 20.

[251] Ibid., 22.

[252] Peter Meyer and Mark Sullivan, "Honduran-U.S. Relations," *Congressional Research Service* (June 2010), 3.

for other countries.[253] The U.S. does recognize the Lobo government; however, Honduras remains a country in peril not only because of their political situation, but also because Honduras remains one of the most impoverished nations in Latin America and has high levels of violence.

Honduras, similar to El Salvador, is a transit country for drug trafficking. Honduras has become a breeding ground for gangs (similar to El Salvador, the primary gangs are MS-13 and Barrio 18) due to high levels of poverty, unemployment, political chaos, and leftover weapons from the conflicts of the 1980s.[254] Furthermore, Honduras' geographical location (having access to both the Atlantic and the Pacific through the Gulf of Fonseca), limited resources, and weak law enforcement presence in vast and depopulated areas of the Atlantic coast makes Honduras a target for narcotics trafficking.[255] In 2009, an estimated 200 metric tons of cocaine passed through Honduras, with transshipments facilitated by direct air, maritime vessels, and the Pan-American Highway, which crosses southern Honduras.

According to Honduran police intelligence, the Sinaloa cartel has recently been working closely with gangs in Honduras to assist in the shipment of cocaine in the Atlantic and the Gulf of Fonseca.[256] Perhaps more disturbing is the fact that Sinaloa cartel members are buying land, building houses and bribing local officials in the Copan, Santa Barbara, and Cortes provinces along the Guatemalan border in order to facilitate the shipment of cocaine.[257] Honduran police also report that Alexander Ardon, the mayor of El Paraiso, Copan, works directly with the Sinaloa cartel. Based on these facts, one can conclude that corruption is a rampant problem in Honduras as well. Furthermore, the violence in Honduras in 2009 due to gangs, drug trafficking, and political unrest resulted in a murder rate of 66.8 per 100,000 inhabitants, the highest in the world. The Sinaloa cartel has rapidly expanded their presence into Honduras not only

[253] Meyer, "Honduran-U.S. Relations," 7.

[254] Ibid., 20.

[255] International Narcotics Control Strategy Report I, *U.S. Department of State*, March 2010, 323.

[256] Dudley, "Drug Trafficking Organizations in Central America: Transportistas, Mexican Cartels, and Maras," 11.

[257] Ibid.

because of their established gangs (U.S. Southern Command estimates Honduras has over 36,000 gang members), but also because of the established land, air, and sea drug routes, and the inability of the government to exercise control over its territory. This is a cause for concern not only to the Honduran government, but also to stability in the region.

c. Guatemala: A State Divided by Mexican Cartels

While DTOs pose a challenge for both El Salvador and Honduras, Guatemala is at the epicenter of the drug threat. Impunity, violence, corruption, and intimidation of law enforcement are four of the biggest issues the government of Guatemala faces.[258] The majority of violence is attributed to drug trafficking and organized crime, especially along the Guatemalan and Mexican border. The violence caused by Mexican DTOs is due to the fact that two Mexican cartels, the Sinaloa and Los Zetas, have been engaged in a bloody turf war for control of profitable drug routes in Guatemala.[259]

The Sinaloa cartel, which has operated in Guatemala since the early 1990s, has concentrated its efforts on the Guatemalan-Mexican border and along the Pacific coast. Anti-narcotics agents believe that the majority of cocaine transiting Guatemala comes via the Pacific Ocean to the Sinaloa members through one of the oldest but surest drug routes.[260] Likewise, the Sinaloa cartel work with Guatemalan gangs (U.S. Southern Command estimates Guatemala has over 14,000 gang members) in the mountainous parts of the San Marcos province where most of the country's poppy is grown.[261] Finally, the Sinaloa cartel has a strong working relationship with Guatemalan gangs in the Huehuetenango region along the Mexican border to control passage through this vital region.[262]

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[258] Miranda Louise Jasper and Colleen Cook, "Guatemala: 2007 Elections and Issues for Congress," *Congressional Research Service* (January 2008), 6.

[259] Dudley, "Drug Trafficking Organizations in Central America: Transportistas, Mexican Cartels, and Maras," 11.

[260] Ibid.

[261] Ibid.

[262] Ibid., 11–12.

While the Sinaloa cartel has operated in Guatemala for years, Los Zetas have only recently begun operating in Guatemala. Los Zetas have taken control over several important junctions in Guatemala including the Zacapa province, a critical entry point for drugs coming from Honduras in the east; Peten province, Guatemala's largest state, where they control hundreds of unsanctioned border crossings into Mexico; and the Alta Verapaz province in the central highlands, which gives them access to Guatemala City to the south, Peten to the north and Zacapa to the east along with the crossing point for the Transversal Norte, a trucking route across the north that leads to Mexico through Huehuetenango in the west. Figure 8 shows a map of Guatemala with all of its provinces. Along with taking over many areas in Guatemala, Los Zetas have garnered much attention due to their brash tactics and violence such as the attack in March 2008 where Los Zetas tortured and executed eleven Guatemalan drug members.[263] According to Dudley, Huehuetenango may be where the battle for Guatemala between the Sinaloa cartel and Los Zetas is decided. Since 2008, the two Mexican cartels have clashed in Huehuetenango, which is a critical juncture that provides easy access to the Gulf, the Pacific Ocean and land routes through the center of Mexico.[264]

[263] Dudley, "Drug Trafficking Organizations in Central America: Transportistas, Mexican Cartels, and Maras," 12.

[264] Ibid.

Figure 8. Map of Guatemala and Provinces.[265]

[265] Guatemala Fact Sheet, "Map of Guatemala," http://www.larutamayaonline.com/guatemala_facts.php (accessed September 17, 2010).

A weak criminal justice system, coupled with pervasive corruption, has made it difficult for the Guatemalan government to address its deteriorating security situation thanks largely to the Mexican cartels hostile takeover of the state.[266] Corruption in Guatemala is so rampant, even the former Guatemalan President, Alfonso Portillo was arrested on suspicion of laundering more than $3 million dollars on January 26, 2010.[267] With a turf war for established drug routes in Guatemala occurring between two Mexican cartels, a fragile government, and rampant corruption, Guatemala is a country that some may argue is on the verge of becoming a narco-state.[268] Mexican cartels already control seven of the twenty-two Guatemalan provinces and are the primary cause for an increasing murder rate, which reached 52 per 100,000 inhabitants.[269] Although U.S. continues to have close relations with Guatemala, it is clear that Mexican cartels are seizing control of the state and we must act swiftly to prevent Guatemala from becoming a narco-state.

El Salvador, Honduras, and Guatemala are the three states that form the Northern Triangle, which, thanks to the invasion of Mexican cartels in the region, has turned into one of the most dangerous places in the world. The Northern Triangle states share similar traits with both Colombia and Mexico. All three states are unable to control their territory, suffer from a high murder rate (each has a murder rate of over 50 per 100,000 inhabitants), rampant corruption that reach the highest levels of government, high unemployment, and are ill prepared to cope with the problems on their own. Likewise, Honduras and Guatemala posses a geographic advantage of having access to both the Atlantic and Pacific Ocean, which is a key advantage in establishing drug trafficking sea routes. Although the Merida Initiative was intended for both Mexico and Central America, the fact remains that the millions we have given are not enough to combat a multi-billion dollar adversary. Furthermore, these three states' militaries lack

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[266] International Narcotics Control Strategy Report I, *U.S. Department of State*, March 2010, 307.

[267] Stratfor, January 26, 2010, http://www.stratfor.com.libproxy.nps.edu/sitrep/20100126_guatemala_former_president_arrested (accessed October 7, 2010).

[268] Dudley, "Drug Trafficking Organizations in Central America: Transportistas, Mexican Cartels, and Maras," 12.

[269] Ibid., 12–13.

the proper equipment to combat the DTOs, in fact, the Honduran naval and air force just recently received the equipment to operate at night.[270] As the balloon effect has shown us in various cases, and the fact that the majority of our attention is focused on Mexico, then the states of the Northern Triangle represent three likely candidates that can supplant Mexico as the cocaine capital of the world. These three states are being invaded by Mexican DTOs and represent the greatest threat in Central America; however, they are not the only states that have been influenced by DTOs. Nicaragua, Costa Rica, and Panama also represent transport states that have seen an increase in DTO influence.

2. Other Threats in Central America

a. Nicaragua

Nicaragua has a population of approximately 5.4 million people and is the second poorest country in Latin America.[271] The U.S. has had relations with the Nicaraguan government since 1979 when the Somoza government was toppled by a revolution led by the Sandinista National Liberation Front (FSLN), a leftist guerrilla group that maintained ties with rebel forces in El Salvador and U.S. backed counter-revolutionary forces.[272] Although Nicaragua is now a democracy, ongoing disputes between powerful leaders, endemic corruption, and weak institutions have undermined the state. Nicaragua depends on foreign assistance provided other states including the U.S.; however, Nicaragua has also sought aid from Iran and Venezuela, which is a cause of concern for the U.S.[273]

Despite the aid received from the U.S., Nicaragua remains a maritime and land transshipment route for South American cocaine. Nicaragua's poor economy, limited law enforcement presence in the country, and corruption provide an opportune

[270] Dudley, "Drug Trafficking Organizations in Central America: Transportistas, Mexican Cartels, and Maras," 25.

[271] Clare Ribando Seelke, "Nicaragua: Political Situation and U.S. Relations," *Congressional Research Service* (2008), 1.

[272] Ibid., 2.

[273] Ibid., 4.

environment for DTOs to operate in the area.[274] Likewise, Nicaragua's geographic advantage of having access to both the Atlantic and Pacific create more sea routes DTOs can use to ship the drugs. The U.S. maintains a productive relationship with Nicaraguan military and law enforcement institutions, which has led to an increase in interdiction efforts; however, the U.S. must ensure that Mexican cartels do not exert undue influence in Nicaragua as the DTOs did in the Northern Triangle.

b. Costa Rica

Costa Rica, as compared to the previous four states, is a politically stable nation with a relatively well-developed economy and a population of 4.3 million people.[275] Furthermore, relations between the U.S. and Costa Rica have traditionally been strong as a result of common commitments to democracy, free trade and human rights.[276] However, due to Costa Rica's well-developed economy, as compared to other states in the region, the U.S. does not provide much assistance to Costa Rica.[277]

Historically, Costa Rica has not experienced significant problems as a result of the regional drug trade; however, crime and violence have increased in recent years due to Mexican cartels increasing their operations in Central America.[278] Although the 2008 murder rate in Costa Rica was 11 per 100,000 inhabitants, which is drastically lower compared to states in the Northern Triangle, the murder rate has nearly doubled since 2004.[279] The sudden rise in violence can be attributed to the surge in DTO activity in the region and has presented the Costa Rican government with a significant security challenge, especially since Costa Rica does not have a military, only public security forces.[280] Costa Rica does receive funds from the Merida Initiative, which are used to

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[274] International Narcotics Control Strategy Report I, *U.S. Department of State*, March 2010, 471.

[275] Peter Meyer, "Costa Rica: Background and U.S. Relations," *Congressional Research Service* (February 2010), 1.

[276] Ibid., 8.

[277] Ibid.

[278] Ibid., 9.

[279] Ibid.

[280] Ibid.

improve policing, maritime interdiction, border assistance, and inspection equipment; however, Costa Rican President Laura Chinchilla maintains that the U.S. funding of the Merida Initiative in Central America remains "insufficient."[281] Costa Rica may not pose the same security threat as the states from the Northern Triangle; however, Costa Rica is still a key transit state for DTOs to ship their drugs to both the U.S. and Europe.

c. Panama

The U.S. has had close relations with Panama due in large part to the linkages developed when the canal was under U.S. control and Panama hosted major U.S. military installations.[282] Since the 1989 U.S. military intervention that ousted the regime of General Manuel Noriega, Panama has had five successive elected civilian governments. Furthermore, the Panama Canal generates sufficient revenue for the World Bank to categorize Panama as having an upper-middle-income economy; however, one of the major challenges Panama faces is the large disparity between the rich and the poor.[283] Due to the revenues generated by the canal, the U.S. has not provided a large amount of financial assistance to Panama. Another cause of concern for Panama is the recent increase in crime, which can be attributed to drug trafficking (Panama has a murder rate of 24 per 100,000 inhabitants).[284]

Due to its proximity to Colombia, its geographic advantages, and large maritime industry and containerized seaports, Panama is a major transit country for illicit drugs from South America to both the U.S. and Europe.[285] Recently, Panama has become known as the "mouth of the funnel" due to the state routinely reporting the highest cocaine seizure rates in Central America.[286] The U.S. and Panama have successfully worked together to increase interdiction efforts; however, rising insecurity,

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[281] International Narcotics Control Strategy Report I, *U.S. Department of State,* March 2010, 216.

[282] Mark Sullivan, "Panama: Political and Economic Conditions and U.S. Relations," *Congressional Research Service* (May 2010), 1.

[283] Ibid., 6.

[284] Ibid., 7.

[285] Ibid., 14.

[286] International Narcotics Control Strategy Report I, *U.S. Department of State,* March 2010, 496.

increased narcotics related crime, and the increased presence of Mexican DTOs have threatened to undermine the Panamanian government.[287]

Compared to the states mentioned, Panama is the most developed and stable due in large part to the business the canal creates. The Panama Canal generates money for the state due to the jobs it creates and it is the route most often used for ships to cross from the Atlantic to Pacific; however, due to the decrease of the Arctic ice cap, scientist estimate that a Northern Passage through the Arctic could be realized in the next fifteen years and would provide a shorter shipping route as compared to the Panama Canal.[288] With shipping routes reduced, one can assume that the revenues produced by the Panama Canal would decrease and could cause a severe financial impact to Panama. Although the Northern Passage is still many years away, one must consider the possible destabilizing effect this would have in Panama.

In summary, the Central American states reviewed all have several common traits. First, the government of each state lacks the ability to exercise control over its territory. Next, each state is plagued by rampant corruption and suffers from a high murder rate. However, there are other traits that these states share that provide the Mexican DTOs with the ability to operate freely in the region. Poverty, underemployment, weak government, insufficient military and police forces, and weak justice systems are all traits these states share and which the DTOs have exploited to their benefit. The Merida Initiative was intended to provide assistance to both Mexico and Central America; however, the majority of Merida Initiative funds have been earmarked for Mexico and the funds that are provided for Central America are, as Costa Rican President Laura Chinchilla said, "insufficient." The U.S. must begin to see that these states are now not only transit states, but also breeding grounds for gangs and the Mexican cartels have already begun infiltrating these states.

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[287] International Narcotics Control Strategy Report I, *U.S. Department of State*, March 2010, 496.

[288] Scott Borgerson, "Arctic Meltdown: The Economic and Security Implications of Global Warming," *Foreign Affairs* 87, no. 2, 67–69.

3. Venezuela: Corruption at the Highest Levels

Although not in Central America, one cannot discuss a possible successor to the cocaine trade without mentioning Venezuela, which not only is in a position to supplant Mexico but can also destabilize the entire region. According to Killebrew, Venezuela presents a unique combination of two challenges: involvement in criminal activity at the highest levels of government and ideological opposition to U.S. interests as a major tenet of its foreign policy.[289] The governing philosophy for Venezuela is Bolivarianism, which blends Latin American Marxism, populism, and nationalism that emphasizes self-sufficiency, patriotism and redistribution of Venezuela's oil revenues.[290] As we have seen, states in Central America have been plagued by high levels of corruption; however, in the case of Venezuela, corruption starts with Venezuelan President Hugo Chavez and trickles down to all his self-appointed cabinet members. Venezuela has withdrawn from regional counternarcotics agreements; however, more troubling is the fact that Venezuela harbors criminal organizations such as the FARC and deals directly with the Mexican cartels, but the cause for greatest concern is Venezuela's relationship with President Mahmoud Ahmadinejad and the Iranian government.

Chavez's support of the FARC has been well documented and allows Venezuela to reap benefits from the drug trade. Venezuela's ties with the FARC proved to reach the highest levels of both actors following the Colombian air raid on a FARC base in Ecuador in 2008, which killed FARC deputy commander Raul Reyes. Following the raid, computer material captured from the FARC rebels was reviewed by the International Criminal Police Organization (INTERPOL) and intelligence agencies from various countries, and showed the deep collaboration between the FARC and high ranking Venezuelan officials involved in providing the FARC weapons and resources.[291] Further investigation of the computer files of Raul Reyes showed that Venezuela helped the FARC acquire a variety of weapons manufactured in China and Russia, which

[289] Killebrew, "Crime Wars: Gangs, Cartels, and U.S. National Security," 28.

[290] Ibid.

[291] Ibid., 30.

included grenade launched, missiles, and machine guns.[292] Chavez quickly denounced the Colombian air raid since it occurred over Ecuadorian air space and also blamed the Colombian and U.S. government for planting the computers and fabricating lies about his relationship with the FARC; however, following the air raid it was clear that the FARC had a state that would harbor them.[293] Venezuela allows the FARC to operate freely, which is why the FARC has transformed Venezuela into a main drug departure point to the U.S., Europe, and West Africa.[294] Although the Venezuelan government harbors FARC members and allows them to operate freely in the country and establish new drug routes, more troubling is the alliance Venezuela has forged with Iran.

Venezuela's corruption and blatant criminal activity created an entry point for Iran, which according to the U.S. government is the world's most active state exporter of terrorism, to enter into the hemisphere.[295] According to Killebrew, Venezuelan and Iranian relations involve the unmonitored international movement of drugs, money, weapons, and people.[296] One of the unmonitored movements involve the Air Iran flights that started in 2007 that fly from Tehran to Caracas with a stopover in Damascus, Syria. Although the flight only carries "official passengers," the lackadaisical immigration controls have alarmed U.S. officials who point out that several travelers from Syria, Yemen, Iran, and other Middle Eastern states known to harbor terrorists were given Venezuelan passports.[297] In fact, in 2008, Turkish authorities intercepted a shipping container that was labeled "tractor parts," but in reality the container had enough bomb making chemicals and laboratory equipment to set up an explosives lab.[298] Also of concern is the Iranian bank (the International Development Bank) that was opened in Caracas, which experts say "is designed to facilitate the funding of terrorist organizations and to circumvent financial sanctions imposed by the U.S., the European Union (E.U.),

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[292] Killebrew, "Crime Wars: Gangs, Cartels, and U.S. National Security," 30.

[293] Ibid.

[294] International Narcotics Control Strategy Report I, *U.S. Department of State*, March 2010, 650–651.

[295] Killebrew, "Crime Wars: Gangs, Cartels, and U.S. National Security," 30–31.

[296] Ibid. 32.

[297] Ibid.

[298] Ibid.

and the U.N.[299] Venezuela and Iran have had relations since the 1960s when both states co-founded the Organization of Petroleum Exporting Countries (OPEC); however, the relationship today is troublesome due to the fact that Venezuela is a state known to harbor criminals such as the FARC and its only a matter of time until Venezuela begins harboring terrorist groups such as Hezbollah.

Venezuela undoubtedly is a state that poses several challenges to the U.S. not only because of its different ideology, but because the corrupt government, starting with Venezuelan President Hugo Chavez, harbor known criminal and terrorist groups. Likewise, Venezuela is forging alliances with Latin American countries such as Bolivia, Nicaragua, and Ecuador who are all beginning to or have shifted their political ideologies to the left. However, the gravest threat to the U.S. is not the drugs that flow seamlessly from the Venezuelan coast, but the relationship Venezuela has with Iran and the ability of Venezuela to harbor Middle Eastern terrorist groups in the hemisphere who now have a safe haven to launch potential attacks to the U.S. Thus, Venezuela is following a path that could lead to a potential chaotic free for all in the state where criminal and terrorist groups operate freely and wreck havoc in the western hemisphere.

C. CHAPTER IV CONCLUSION

In summary, this chapter has focused on the theory known as the balloon effect, which essentially states that the more intently the U.S. focuses on a particular state/actor, the more likely drug production and profits will shift to another state/actor. The balloon effect helps explain why the cocaine profits have shifted within Colombia and from Colombia to Mexico. Colombia became the primary target for U.S. drug intervention with Plan Colombia; however, the problem simply shifted to Mexico, which now generates the greatest profit from the cocaine trade. Today, Mexico is the primary beneficiary of the Merida Initiative and receives the majority of funds; however, what happens if the Merida Initiative succeeds and indeed weakens the Mexican cartels? We must not forget that there continues to be a high demand for cocaine not only in the U.S. but also in Europe and the drug business generates almost $40 billion annually. With

[299] Killebrew, "Crime Wars: Gangs, Cartels, and U.S. National Security," 32–33.

such a staggering fortune that can be realized, another state or actors (perhaps even within Mexico) will likely attempt to seize control of the cocaine industry. The states from the Northern Triangle are a cause of concern due to their established gangs already in the area and the fact that they are playing such an important role in the drug trade today. However, for reasons mentioned, Venezuela is also a prime candidate to seize control of the cocaine trade since there is a government in place that supports criminal and terrorist actors. Today, Mexico generates the greatest attention due to the estimated 28,000 people who have been murdered since Mexican President Felipe Calderon took office in 2006 and the country's close proximity to the U.S. Clearly the U.S. must focus its attention on Mexico in order to prevent it from becoming a narco-state; however, we must also consider future potential threats and assess the situation not only in terms of the present but also in the future. If the balloon effect theory holds, then another state/actor will seize control of the cocaine trade; however, as this chapter has shown, our assistance and policies in the Northern Triangle and Venezuela are insufficient. Thus it is in our best interest to analyze future potential threats and attempt to prevent the state(s) from becoming the new cocaine kingpin.

V. CONCLUSION, THREATS TO U.S. HOMELAND, U.S. RESPONSE TO MEXICO, AND WAY FORWARD

A. CONCLUSION

President Richard Nixon may have coined the phrase "the war on drugs" in 1969, but in reality, the U.S. has been engaged in a fight against illicit narcotics since prohibition. Although the actors and states may have changed, the end state remains the same: while there is a demand and a market for illicit drugs such as cocaine, there will be someone who will supply illicit drugs as long as it remains profitable. The drug business yields profits in excess of $40 billion annually, so as long as such a staggering profit can be made, there will continue to be a war on drugs. This thesis focused primarily on the latest battlefront in this war: the cocaine trade and how the cocaine capital has shifted from Colombia to Mexico.

The first chapter stated our proposed topic, the need for policymakers to understand the war on drugs, and the methodology used. A literature review and background of the cocaine trade introduced some of the more important topics such as the Medellin and Cali cartels in Colombia, the rise of the Mexican cartels, and the U.S. response to the rising threat in both Colombia and Mexico with Plan Colombia and the Merida Initiative.

The second chapter provided a detailed history of the key players and groups in the cocaine trade since prohibition. The first section provided an overview of how the cocaine trade evolved following prohibition until the early 1970s. The second section discussed how Colombian DTOs, more specifically the Medellin and Cali cartels, were able to revolutionize and commoditize the cocaine business, earn billions of dollars in profits, and almost turn Colombia into a narco-state. We also discussed groups such as the FARC and the AUC who were able to benefit from the U.S. and Colombian policies set to destroy the two cartels. The third section highlighted the beginning of the drug problem in Mexico, which dates back to the early 1900s. Finally, we described the key Mexican cartels, more specifically, the Gulf, Sinaloa, Juarez, and Tijuana cartel, who

seem to dominate the news headlines and have supplanted the Colombian cartels while becoming the most profitable and ruthless DTOs. The purpose of this chapter was to show that the drug problem in each state did not appear overnight; instead, these states have been fighting DTOs for decades. Likewise, both Colombia and Mexico share many common traits such as an inability to control or provide security for the state, mass violence, and rampant corruption that reaches all levels of government. Finally, although Mexico is often compared to Colombia, it is important to specify during what time frame the comparison should be made. Colombia has faced two different actors, 1) the Medellin and Cali cartels and 2) guerrilla and paramilitary groups such as the FARC, AUC, and ELN. Thus when comparing the two states, it is more appropriate to compare Mexico's current struggle against Mexican cartels to Colombia's struggle with the Medellin and Cali cartels.

The third chapter focused on how the U.S. has approached the war against DTOs in both Colombia and Mexico. The first section discussed Plan Colombia and both the successes and failures of the plan. The second section discussed the Merida Initiative, which is the U.S. approach to combating the increasing threat from the Mexican cartels. Finally, we discussed whether or not it is appropriate to compare the Merida Initiative to Plan Colombia. Plan Colombia was initially a counternarcotics effort; however, in the end the plan became more of a counterinsurgency to help defeat the FARC. Thus if we want defeat the Mexican cartels, perhaps the Merida Initiative should resemble the U.S. and Colombian efforts to defeat both the Medellin and Cali cartels in the early 1990s instead of resembling Plan Colombia.

The fourth chapter discussed the balloon effect, which essentially states that the more intently the U.S. focuses on a particular state/actor, the more likely it is that drug production and profits will shift to another state/actor. The balloon effect applies to this thesis since the U.S. focused the majority of its funds and attention to Colombia and the problem seems to have shifted from Colombia to Mexico. This should be a cause for concern since the U.S. is now shifting both its funds and efforts to Mexico and we want to avoid another state/actor from seizing control of the cocaine trade. The first section described the Central American countries that make up the Northern Triangle: El

Salvador, Honduras, and Guatemala. The second section discussed Nicaragua, Costa Rica, and Panama and how these countries can possibly supplant Mexico as the new cocaine capital. The final section described perhaps the gravest threat to the region not in terms of narco-trafficking, but in terms of stability: Venezuela. Venezuela has ties to the FARC, but of more concern is its relationship with Iran, which could allow groups such as Hezbollah or other Middle Eastern terrorist groups access to the Western hemisphere. The objective of this chapter was to show that although Mexico remains the immediate threat and remains the focal point of the Merida Initiative, the U.S. must maintain a long-range vision in order to avoid the balloon effect once again. The Mexican cartels have been able to expand to many other states, and as we have shown, many of these states share the same characteristics as both Colombia and Mexico. Thus the U.S. should pay particular attention to the states that form the Northern Triangle due to the influence Mexican DTOs have exerted recently, and to Venezuela due to its ties with the FARC, Mexican cartels, and Iran. As we have shown, the Merida Initiative fails to adequately address other states/actors that can supplant Mexico should the Merida Initiative succeed.

B. THREAT TO THE U.S. HOMELAND

If one were to consider the primary threat to the U.S. homeland, most people would agree that terrorism (from both domestic and international actors) poses the most immediate and serious threat to our security. Although terrorists do pose a significant threat to the U.S. as demonstrated by the horrendous attacks on 9/11 and the failed Christmas Day and Times Square Bombings, Mexico and its war on drugs is quickly becoming a substantial threat to the U.S. that must become a priority. Kidnappings, beheadings, deadly shootouts with local, state, and federal officials, money laundering, and mass violence is not the setting for a Hollywood action movie or even Iraq or Afghanistan; instead, this is a description of Mexico and its continuous struggle against Mexican cartels. President Barack Obama released the latest National Security Strategy (NSS) in May 2010, which outlines the major national security concerns for the U.S. and how the administration plans to deal with them; however, the NSS only briefly mentions Mexico in the following passage: “Stability and security in Mexico are indispensable to

building a strong economic partnership, fighting the illicit drug and arms trade, and promoting sound immigration policy."[300] With the Mexican drug war barely mentioned in the NSS and the fact the balloon effect states that another state/actor will fill the void once the Mexican cartels lose their power, one must ask themselves why should the U.S. invest billions of dollars to fight a war that seems unwinnable? This section will examine the threats the drug war in Mexico poses for the U.S. and why it is in our best interest to formulate a plan that will help Mexico regain control over its territory.

The U.S.-Mexican border is 1,969 miles long and is the world's most frequently crossed international border, with over 250 million people moving across it.[301] Due to our proximity with Mexico, the shift of the cocaine epicenter has caused growing concerns due to the significant threat the Mexican war on drugs poses to the U.S. homeland. As mentioned in Chapter II, since 2006 Mexico has experienced an accelerating increase in drug related violence and a corresponding deterioration of internal security. Not surprisingly, Mexico's inability to cope with the cartels has led to an increase in violence, kidnappings, and illegal immigration to spillover into the U.S., especially in border states such as Texas, Arizona, and California. In a recent interview, Homeland Security Secretary Janet Napolitano said, "I think now we have seen some spillover. There's always been a certain amount of violence between DTOs and the like along the border. But now, for example in cities like Phoenix, there's an increase in kidnappings that I relate to this increase in the drug war in Mexico."[302] Although the fear of the violence spilling into the U.S. poses an immediate threat, there are other threats such as an increase in drug supply, the self-propelled semi-submersibles (SPSS) threat, and the porus U.S.-Mexican border, we must consider in order to protect the U.S. homeland.

As previously stated, due to Mexico's proximity to the largest consumer of cocaine (the U.S.), the geographic advantage of Mexico being surrounded by both the

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[300] "National Security Strategy of the United States of America," May 2010, 42.

[301] Glenn Hastedt, *American Foreign Policy* (Boston: Pearson Education, 2011), 56.

[302] Mark Hosenball, "The Mexican Problem," March 14, 2009, http://www.newsweek.com/2009/03/13/the-mexican-problem.html (accessed May 10, 2010).

Pacific and Atlantic Ocean, and the implementation of the North American Free Trade Agreement (NAFTA) in 1994, it is no wonder why cocaine seems to flow almost effortlessly from Mexico to the U.S. According to U.S. Coast Guard estimates, 65 percent of all cocaine flows through Central America into Mexico and eventually into the U.S. by land routes while the remaining 35 percent flow via sea routes in both the Pacific and Caribbean by traditional narco carrying go-fast vessels and more recently by nearly undetectable self propelled semi-submersibles known as SPSS's. Go-fast vessels are the transportation method of choice for DTOs due to their relatively cheap cost (approximately $50,000). A go-fast vessel is typically built of fiberglass, has four outboard engines and is usually about 30 feet long. The boat can reach speeds in excess of 50 knots and is usually painted ocean blue in order to make detection by aircraft more difficult. DTOs typically send 5–10 go-fast vessels with about one ton of cocaine from Colombia simultaneously in order to confuse U.S. and other allied ships and also increase the likelihood that several of the go-fast boats will reach Mexico.[303]

Due to the amount of revenue generated from the cocaine trade, DTOs are able to invest in the construction of SPSSs, which prove to be a more efficent method of shipping cocaine to Mexico. Although these semi-submersibles can transit at a speed no greater than 8 knots, these subs are nearly undetectable except for their snorkel, which rises about two feet above water. The SPSSs are relatively expensive (approximately $1,000,000); however, they are capable of carrying up to eight tons of cocaine (street value of $200,000,000) and have become an increasingly popular method of distribution by the DTOs. SPSS vessels represent an increasingly significant threat to safety and security due to their stealthiness, payload, and distances the vessel can travel without support.[304] The near undetectablity of these vessels poses an even greater threat should drug traffickers choose to line trafficking routes and methods with a different payload. Having already discussed the Venezuelan ties with DTOs, the FARC, and Iran, it is

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[303] John Otis, "Drug Traffickers Move Underwater," *Global Post*, April 15, 2009, http://www.globalpost.com/dispatch/the-americas/090408/drug-traffickers-move-underwater, (accessed May 10, 2010).

[304] Global Security, "Self Propelled Semi-Submersible (SPSS) Watercraft," http://www.globalsecurity.org/military/world/para/spss.htm, (accessed May 10, 2010).

plausible that DTOs could simply rent an SPSS to a terrorist organization who can then outfit the SPSS with a nuclear weapon or explosive instead of drugs.[305] Although this scenario may seem improbable, the alliances are in place for such an attack to be feasible.

A final problem that must be considered is the porous border which allows not only for drugs to flow from Mexico to the U.S., but what is often overlooked is the steady supply of weapons that flows from the U.S. to Mexico and into the hands of the Mexican Cartels. With over 90 percent of America's cocaine traveling through Mexico and with the U.S. supplying over 90 percent of the guns used in drug violence in Mexico, there is strong evidence that a problem lies at the porous border.[306] The cartels are able to benefit from the border because it not only allows them to transport their drugs across the border with a high success rate, but it also provides them with an avenue to purchase weapons for their armies and also smuggle billions in drug money across the border.

C. COMBATING THE THREAT

Joint Inter Agency Task Force-South (JIATF-S) is the interagency organization that leads the fight against narcotics flowing via the sea. By their estimates, a ship conducting counter drug (CD) operations has a 9 percent detection rate of a narco-carrying vessel within two hundred nautical miles; if a ship has a helicopter detachment the detection rate increases to a 20 percent detection rate; and finally if a ship has a helicopter detachment and works with intelligence gathered by a maritime patrol aircraft (MPA) the detection rate increases to 70 percent. JIATF-S has been able to build an unparalleled network of law enforcement, intelligence, and military assets to focus on detecting the movements and shipments of DTOs and form a fully integrated interagency command.[307] Within the JIATF-S organizational structure, representatives from Department of Defense (DoD), Homeland Security, and the Justice Department, along with U.S. Intelligence Community liaisons, and international partners work as one team

305 "Self Propelled Semi-Submersible (SPSS) Watercraft."

306 National Security Network, "Mexico's Battle with the Drug Trade Reaches Across the Border."

307 Richard Yeatman, "Blueprint for Success," *Joint Force Quarterly*, 3rd Quarter (2006), 26–27.

to stop the flow of narcotics via sea.[308] However, as Figure 2 shows, there are many drug routes DTOs have created in order to avoid detection and JIATF-S only has a few assests patrolling the Pacific and Caribbean waters, which makes detection very difficult.

In order to combat the smuggling of cocaine via land routes, President George W. Bush signed the Secure Fence Act in October 2006 calling for a double reinforced fence along 700 miles of border where illegal drug trafficking and immigration were most common.[309] The fence, which today stretches more than 580 miles, is made up of several different barrier projects, which include a physical structure in some areas while in others it is a virtual fence made up of mobile towers, radar, and cameras that are linked to a near real time projection of the frontier.[310] Although the fence covers approximately one-third of the entire U.S.-Mexico border, it has not had a significant impact on reducing the amount of cocaine flowing to the U.S. or increasing cocaine interdiction.

The secure fence initiative has not delivered the expected results; however, the U.S. has established several fusion centers in key states such as Arizona and Texas, which have been more promising. One of the most prominent fusion centers created to combat the flow of cocaine across the U.S.-Mexico border is the El Paso Intelligence Center (EPIC). EPIC's purpose is to provide real-time intelligence that helps law enforcement target the U.S. distribution networks of the Mexican Drug cartels. EPIC is led by the DEA and is staffed by fifteen federal agencies from the Department of Homeland Security, Justice, Defense, Transportation, as well as state, county, and soon municipal law enforcement organizations.[311] According to DEA Chief of Intelligence Anthony Placido, "hundreds of special agents, intelligence analysts, computer and communications specialists, translators, technology experts, and support staff sift through complex, seemingly unrelated pieces of information."[312]

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[308] Yeatman, "Blueprint for Success," 26-27.

[309] Hastedt, *American Foreign Policy*, 56–57.

[310] Ibid.

[311] Anthony Placido, "The El Paso Intelligence Center: Beyond the Border," http://policechiefmagazine.org/magazine/index.cfm?fuseaction=display_arch&article_id=1201&issue_id=62007 (accessed April 14, 2010).

[312] Ibid.

With such a robust organization, no other agency in the U.S. provides real-time tactical support to the law enforcement community with such a wide range of database queries.[313] As a fusion center, EPIC is able to collect, analyze, and share with law enforcement organizations sensitive information that turns suspicion into probable cause, contraband into evidence, and suspects into criminal defendants. Although EPIC tends to focus on the southwest border, according to DEA administrator, Karen Tandy, "EPIC is building a history of information sharing that extends into the heartland of America and provides support to police in all 50 states, the District of Colombia, Puerto Rico, the Virgin Islands, and Guam. This information sharing is vital to officer safety, interdiction efforts, and investigations everywhere."[314]

The U.S. has implemented programs such as the secure fence inititative; however, we must not forget that the border we share with Mexico is almost 2,000 miles long, thus providing security throughout the border is a daunting task. Recently, California, Arizona, New Mexico, and Texas (the U.S. states that share a border with Mexico) agreed to send 1,200 National Guard forces on August 1, 2010, for a year long deployment to prevent illegal border crossings, smuggling, and assist in criminal investigations.[315] Even with the augment from the National Guard, Arizona Governor Jan Brewer argues, "the deployment is not enough nor tied to a strategy to comprehensively defeat the increasingly violent drug and alien smuggling cartels that operate in Arizona on a daily basis."[316] Finally, although U.S. military forces may not be used for law enforcement, Congress created a "drug exception" to the Posse Comitatus Act that authorizes the Secretary of Defense to "make available any military equipment and personnel necessary for operation of said equipment for law enforcement purposes."[317] Thus, the Army can provide equipment, training, and expert military

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[313] Placido, "The El Paso Intelligence Center: Beyond the Border."

[314] Ibid.

[315] Associated Press, "National Guard to Head to Border States Aug 1," July 19, 2010, http://www.msnbc.msn.com/id/38310914/ (accessed May 10, 2010).

[316] "National Guard to Head to Border States Aug 1."

[317] Rand Corporation, "An Overview of the Posse Comitatus Act," http://www.rand.org/pubs/monograph_reports/MR1251/MR1251.AppD.pdf (accessed May 10, 2010).

advice to civilian law enforcement agencies as part of the total effort in the war on drugs.[318] Augmenting the border with the U.S. military may be an option but we must realize that border protection is not a defined role of the military and law enforcement officials may be better suited to handle this problem.

In summary, the shift of the cocaine capital from Colombia to Mexico has threatened the security of the U.S. homeland. We have seen an increase in violence along the border as demonstrated by the killing of two U.S. Consulate employees in Juarez, Mexico, on March 13, 2010, which serves as a chilling reminder that the state we share our southern border with is engaged in a vicious and bloody battle with the Mexican Drug Cartels. Furthermore, Phoenix is now the kidnapping capital of the U.S. thanks in large part to the cartels on both sides of the border.[319] Also, we have seen an increase in illegal migration from displaced Mexicans, particularly from cities such as Juarez, Matamoros, and Tijuana, into the U.S. However, we must understand that the spillover of violence is only part of the threat posed by the Mexican drug war to the U.S. homeland. The porous U.S.-Mexican border allows for drugs, weapons, and money to flow seamlessly from Mexico to the U.S. and vice-versa causing U.S. border states to deploy the National Guard to provide security against the increasing threat from Mexican DTOs. Likewise, the profits made by the DTOs allow them to invest in new methods to transport their drugs. The latest tool used by the DTOs is the nearly undetectable SPSS, which can carry up to eight tons of cocaine; however the greater threat to the U.S. is not the smuggling of drugs, but the ability of a terrorist group to outfit the SPSS with explosives or a nuclear weapon and attack the U.S. coast. This threat is made even more viable due to the alliances between Venezuela, DTOs, the FARC, and Iran. As one can see, the shift of the cocaine capital and the war on drugs in Mexico has threatened the U.S. homeland in a multitude of ways, least of which is the smuggling of drugs.

The Merida Initiative was implemented in 2008; however, the situation in Mexico appears to worsen by the day. As mentioned in Chapter III, perhaps the Merida Initiative is not the correct approach in combating the Mexican cartels. Instead, the U.S. should set

[318] Rand Corporation, "An Overview of the Posse Comitatus Act."

[319] Hosenball, "The Mexican Problem."

both short-term and long-term goals to combat the threat not only from Mexico, but as Chapter IV mentions, to prevent the balloon effect. As it stands, the U.S. method for combating the threat from Mexican cartels to the U.S. homeland is inadequate. Although JIATF-S does partner with many Latin American states, the task of patrolling the Caribbean waters that are littered with dozens of drug trade routes seems overwhelming. Likewise, EPIC is a fusion center that gathers pertinent intelligence; however, the U.S. must improve its data sharing capabilities and we must also seek to share intelligence with partner states in the region that can assist in the apprehension of DTO members. The sharing of data with foreign states could be problematic, since as Chapter II and IV highlighted there is rampant corruption in the area. If the Merida Initiative fails to work and the situation in Mexico irrevocably worsens, then the U.S. seems ill prepared to protect its homeland. Likewise, if the Merida Initiative succeeds and the Mexican cartels are weakened or defeated, we can expect that the balloon effect will occur and another state/actor will assume control of the cocaine trade. Regardless of who the next state/actor is, the U.S. does not seem prepared to deal with a new threat that will inevitably rise in order to profit from a $40 billion industry.

D. WAY FORWARD

As mentioned in Chapter III, Plan Colombia and the Merida Initiative continue the traditional U.S. approach in combating the narco-traffickers: a supply side attack that focuses on interdiction, enforcement, and security measures, with domestic treatment and prevention programs, source-country economic development projects, and other alternative strategies assuming considerably less importance.[320] In the case of Colombia, although the desired reduction in drug production and supply were not met, it is hard to argue the success of Plan Colombia from a security perspective. As we have seen, Colombia has been a state at war against DTOs since the mid-1970s and prior to 2002, the leftist guerrilla group, the FARC, controlled almost 40 percent of the state and threatened to turn Colombia into a narco-state. Today, thanks in large part to Plan Colombia and U.S. assistance, Colombia has been able to push the FARC to the brink of

[320] Brands, *Mexico's Narco-Insurgency and U.S. Counterdrug Policy* , 6.·

defeat and has reclaimed the majority of its territory. Colombia continues to be a work in progress and the U.S. continues to provide assistance; however, U.S. involvement has scaled back recently and Colombia has taken ownership for providing security within its borders.

The Merida Initiative has often drawn comparison to Plan Colombia; however, we must realize that although Plan Colombia was successful from a counterinsurgency standpoint, it does have several weaknesses that need to be addressed in the case of Mexico. As Chapter III concluded, the Merida Initiative and Plan Colombia are similar in structure; however, the problem arises that we are forming a plan in Mexico that in essence became a counterinsurgency in Colombia. In Secretary Clinton's speech, she compared Mexican DTOs to an insurgency, which drew stark criticism from both U.S. and Mexican officials. Although Mexico may not resemble the traditional insurgency we see in other areas, clearly, the Mexican DTOs pose a grave threat to the Mexican government and the situation in Mexico could be viewed as uncontrollable by the state's inability to provide security over its territory, which is the central duty of a state. Instead of comparing the Merida Initiative to Plan Colombia, perhaps it is more appropriate to compare Mexico's struggle with Mexican cartels with Colombia's struggle against the Medellin and Cali cartels.

Colombia in the 1980s through the early 1990s faced a threat from both the Medellin and Cali cartel that almost converted Colombia into a narco-state. However, with U.S. assistance in the form of funding and military force, the Colombian government was able to defeat both the Medellin and Cali cartels. Mexico faces rampant violence from the four primary cartels and the U.S. has provided assistance in the form of funding; however, a distinct difference is the fact that Mexican officials have made it clear that they do not want U.S. military forces in their territory except those serving in a training capacity. According to public law (P.L. 106-246) issued by Congress in July 2000, the U.S. has a congressionally mandated force cap of eight hundred military

personnel and six hundred American military contractors in Colombia.[321] Furthermore, the Colombian government has granted access to the U.S. military to use certain Colombian military bases, which allows the U.S. to fly reconnaissance aircraft in the area and provide greater intelligence.[322]

It is important for the U.S. and Mexico to come to an agreement and allow U.S. military personnel, U.S. military contractors, and DEA agents to operate jointly with the Mexican military and police forces. Chapter two highlighted the mass corruption of the Mexican local, state, and municipal police forces, which is why the Mexican Army has become the primary tool to combat the Mexican cartels. Although Mexico's Army has approximately 200,000 soldiers, Mexico's population is over 105 million, thus it is difficult if not impossible for the Mexican Army to protect the Mexican population from the Mexican cartels and part of the reason why over 28,000 people have been killed since President Calderon has taken over as President. Mexican officials may be hesitant to allow U.S. military personnel to operate in Mexico; however, it is clear that the corruption of Mexican local, state, and municipal police has rendered them ineffective and the Mexican Army does not have sufficient personnel to defeat the cartels without outside assistance. For this reason, an agreement such as the U.S. agreement with Colombia to allow U.S. military personnel to operate in Mexico is necessary to help defeat the Mexican cartels.

Bonner argues that there are several lessons that should be drawn from Colombia's successful campaign against the Medellin and Cali cartels. First as mentioned, Mexico must take a multinational approach, which means accepting both support and assistance from the U.S. The U.S. has provided funds but clearly Mexico needs manpower assistance to help defeat the Mexican cartels. We must not forget that during the struggle with the Medellin and Cali cartels, Colombia had a homicide rate that

[321] Simon Romero, "Increased U.S. Military Presence in Colombia Could Pose Problems with Neighbors," The New York Times, July 22, 2010. http://www.nytimes.com/2009/07/23/world/americas/23colombia.html (accessed October 30, 2010).

[322] Ibid.

was eight times greater than Mexico's current rate, yet with U.S. assistance, the Colombian government was able to defeat both the Medellin and Cali cartels.[323]

A second way to improve our fight against the Mexican cartels is to have a specific goal or end state. Plan Colombia had the desired end state of reducing coca cultivation by fifty percent and although Plan Colombia did not achieve this goal it did serve to help reduce the strength of the FARC. Conversely, during the fight against the Medellin and Cali cartels, both the U.S. and Colombia concentrated their efforts in dismantling both cartels. This should be the same approach both the U.S. and Mexico take in the short term. We should focus less on the prevention of drugs being smuggled into the U.S. and more on the destruction of the large Mexican cartels who have challenged the Mexican state and have threatened to turn Mexico in to a narco-state.[324] Likewise, Bonner argues that Mexico and the U.S. should implement a divide-and-conquer strategy similar to the one used by the U.S. and Colombia. In the case of Colombia, the U.S. and Colombia initially concentrated all their efforts in defeating the Medellin cartel and once the Medellin cartel was defeated, their attention turned to the Cali cartel. Mexico should follow a similar approach and focus on the most ruthless Mexican cartel, the Sinaloa cartel, and then continue to another cartel until all Mexican cartels have been defeated. Furthermore, Mexico should implement a strategy known as the "kingpin strategy" that hinges on identifying, locating, and capturing the kingpins and key lieutenants of a particular DTO.[325] This strategy proved effective in the fight against the Medellin and Cali cartels.

Next, it is important for the law enforcement and judicial institutions to be aggressively reformed.[326] As mentioned in chapter three, the majority of funds for both Plan Colombia and the Merida Initiative emphasize interdiction and the buildup of military and police forces; however, as mentioned, Mexico is plagued by corruption at all

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[323] Robert Bonner, "The New Cocaine Cowboys: How to Defeat Mexico's Drug Cartels," *Foreign Affairs* (July/August 2010), 6.

[324] Ibid., 7.

[325] Ibid.

[326] Ibid.

levels and it is important for the U.S. to set aside sufficient funds to help reform both the law enforcement and judicial institutions. Mexican law enforcement has proven to be ineffective in combating the Mexican cartels due to the high levels of corruption, which is why the Mexican Army has become the primary organization used to fight the Mexican cartels. Although the Mexican Army may not suffer from the high levels of corruption as Mexican law enforcement, it is important to note that counterdrug operations is not the primary mission of the Mexican Army. In the fight against the Medellin and Cali cartel, the Colombian military played an important role; however, the Colombian National Police played the decisive role in defeating both cartels due to their ability to conduct investigations to support prosecutions, the recruitment of informants, and the use of electronic surveillance to gather evidence.[327]

In summary, it is important for the U.S. to draw upon lessons from not only Plan Colombia but also from the Colombian fight against the Medellin and Cali cartels. Mexican cartels continue to extend their dominance not only in Mexico, but also throughout Central, South America, and even Europe. The U.S. must establish both short-term and long-term goals in order to properly allocate funds to achieve the desired end state. In the short term, it is critical for the U.S. to help the Mexican government reclaim control over its sovereign territory and provide security for its citizens. In the long term, it is important for the U.S. to focus not only on the current threat, Mexico, but to also pay close attention to states that could eventually supplant Mexico as the new cocaine capital. We must not forget that the drug trade is a $40 billion industry that some state or actor will try to stake a claim as long as there is a demand for the product. With DTOs opening new drug routes to Africa and Europe, it is clear that there will be a continued demand for drugs and a continued struggle for state and actors to profit from a $40 billion industry.

[327] Bonner, "The New Cocaine Cowboys: How to Defeat Mexico's Drug Cartels," 8.

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